

STATE
OF
IOWA

Condition of Employment 1994



DES

Department of Employment Services



Condition of Employment

Iowa Department of Employment Services
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Introduction



Cynthia P. Eisenhower
DES Director

Projections of the future can be useful or embarrassing, depending on their accuracy.

Secretary of Labor Robert Reich gained the reputation of a soothsayer when, in the fall of 1987, he appeared on the national television program *Firing Line* and predicted: "Soon there will be a sharp decline in the stock market." When the dramatic drop occurred, he achieved worldwide prominence for his accurate projection. Few remembered that Secretary Reich, who was then a Harvard economist, had for TWO YEARS predicted: "Soon there will be a sharp decline in the stock market."

This fourth *Condition of Employment* report represents our best effort to analyze labor market data so that you can

answer the substantive economic questions at hand, squeeze the relevant information out of the data, and learn something new about Iowa.

This book also represents our best effort to avoid the use of data, "as a drunk uses a street light, for support rather than illumination," according to one critic of data analysis. The data analysis in this book will illuminate Iowa's healthy labor market as well as the challenges that remain.

The *Condition of Employment* report uses information gathered during the past year to describe future Iowa employment trends. It describes the issues that influence Iowa's job market including population shifts, industry trends, workers' compensation data, gender wage equity issues, occupational safety data, and a discussion of the general state of the Iowa economy.

In reviewing the events of the last year, the Flood of '93 commanded much attention. Although we do not want to downplay its impact, we have not prepared a separate section

on the Flood of '93. Rather than an isolated section, this report has interspersed the effects of the flood throughout the sections. We felt this would more accurately reflect the overall significance of that 'once in 500 year's' happening.

I'd like to make one final point. The people in the Department of Employment Services who wrote this book have received national recognition for their efforts to make labor market data more

"This fourth *Condition of Employment* report represents our best effort to analyze labor market data ..."

useful to educators, economists, researchers and policy makers. The *Condition of Employment* report itself has received recognition, and most recently, Stephen C. Smith, our Labor Market Information Chief, was awarded the prestigious Vladimir Chavrid Award for excellence in labor market data analysis and publication. Nevertheless, the individuals who wrote this book perceive their greatest achievement to be an enlightened reader.

Cynthia Eisenhower

Executive Summary

The **Condition of Employment Report** provides a detailed overview of the Iowa labor market, its recent history (particularly 1993) and those trends which have influenced it.

The discussion of the **DES Data Center** explains how anyone with access to a personal computer (PC) and a modem can access not only current economic information, but also job listings, in Iowa and the nation.

Iowa Population Developments is a look at the state as it was captured in the *1990 Census*. To completely detail the vast amount of information available from the census would require several thick volumes and not a short chapter in a single publication. For this reason, only a few interesting highlights are included.

Since 1960, Iowa has grown *more urban, older and more educated*. In the last 30 years, the farm population dropped by 400,000 Iowans. Despite its reputation as a farm state, only 9 percent of Iowans actually live on farms.

Labor Force and Unemployment compares the Iowa and United States unemployment rates over the last decade. It also lists those counties with the highest and lowest 1993 unemployment rates.

A new chapter, **Women and Minorities in the Workforce**, is a discussion of the tendency of demographic groups to concentrate in a limited number of occupational categories. For example, 99 percent of all secretaries are female, while only one percent of Iowa automobile mechanics are women. The chapter includes tables listing jobs with high and low minority and female concentrations.

In 1993, Iowa **Nonfarm Employment** reached 1,277,100, a record level. Despite the flooding that occurred last summer, **Manufacturing** recorded its greatest job growth since 1989. Industrial machinery, in addition to lumber, wood and furniture, added workers during the year. *Orders for Durable Goods were largely driven by the low interest rates that prevailed throughout the year.* At the same time, growth in the food industry is likely to be slow, partially as a result of a stable and aging population.

Nearly all forms of **Transportation** were severely hampered by the floods of 1993. This included railroads and barges. At the same time, the **Communications and Public Utilities** industries have been characterized by mergers which are intended to achieve increased efficiency.

The section which deals with **Finance, Insurance, and Real Estate** explains that this industry group recorded healthy growth in 1993, mostly due to gains in the insurance industry. Life insurance has expanded because companies *have designed products that fit the needs of the 55+ age group.*

The chapter titled **Iowa at Work, Covered Employment and Size of Firm**, is an interesting discussion of workers covered by the Iowa Unemployment Insurance system. The state has 63,679 private employers, the majority of whom employ less than five workers. However, only a fraction of the total number of Iowa workers are employed at these small firms. The largest block of jobs can be found at companies with a minimum of 500 employees. Hy-Vee was the largest private employer based on employment while Deere & Co. had the largest payroll.

In 1993, the Labor Market Information Unit of the Iowa Department of Employment Services conducted and published the **Iowa Gender Wage Equity Study**. The chapter of the same name is a short and readable summary of that report. It explains that three quarters of Iowa women earn less than \$24,000 per year, as compared to less than half of males. The chapter concludes that, while women have made progress in wage equity over the last decade, much is left to be done.

Commuting Patterns looks at where Iowans live and work. There has been an increase in inter-county commuting during the past ten years. Many Iowans prefer to live in smaller communities and are willing to travel long distances to their jobs.

Iowa Foreign Trade is a discussion of the importance of exports to the Iowa economy. Canada, Japan, Mexico, and Germany are the largest foreign consumers of Iowa goods. The first two account for more than half of the state's exports. Despite its reputation as an agricultural state, industrial machinery was the number one Iowa export in 1992, the last year for which data are available.

Iowa **Workers' Compensation** costs are lower in Iowa than in the nation as a whole. The insurance cost per \$100.00 in payroll was \$1.06 as compared to the U.S. average of \$1.79. This has been achieved without restricting either benefit amounts or the definition of compensable injuries.

The chapter, **Job-Site Injuries and Illnesses** points out that, in the last 20 years, occupational illnesses have grown from four percent to 14 percent of job-related injuries.

DES Data Center

The Iowa Department of Employment Services continues to improve the DES Data Center, the Department's electronic bulletin board service. The DES Data Center is a personal computer based information service or bulletin board that allows anyone with a personal computer equipped with a modem to access it. Once connected, users may read or exchange messages, view informational bulletins, transfer (download) or view files and search for employment using PC Job Search.

No other medium can provide information in a more expedient or useful form. The service now offers high speed modem access up to 19,200 baud and a toll-free line to allow the public to call from anywhere in Iowa 24 hours a day, 7 days a week.

The PC Job Search section of the bulletin board

allows you to view job opportunities listed with Workforce Centers in Iowa and the nation, federal openings listed with the U.S. Office of Personnel Management worldwide and job openings with the State of Iowa.

Future plans include offering County Profiles for each of the 99 counties in Iowa.

All of these innovations are made possible through the implementation of the DES Data Center electronic bulletin board service. The information highway of tomorrow is taking shape today at the Iowa Department of Employment Services.

The DES Data Center phone numbers are (515) 281-3472 or within Iowa 1-800-572-3942. Technical assistance is available by calling:—
Stephen Ford, Labor Market Information Unit,
(515) 281-7307.

The DES Data Center allows you to transfer or view the following:

- **Labor Force Data (Iowa and national)**
- **Consumer and Produce Price Indexes**
- **Occupational and Industry Projections (Iowa)**
- **1990 Census Data**
- **Labor Availability Surveys from across Iowa**
- **Wage Surveys (state and counties)**
- **Labor Force Projections (Iowa)**
- **Employment Cost Index**
- **Per Capita Income**
- **Affirmative Action Data**
- **Workers' Compensation Information**
- **Workers' Compensation Decisions**

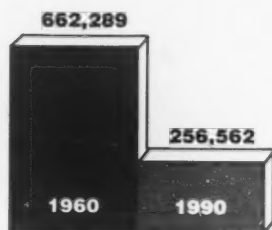
Iowa Population Developments

When viewing 1990 Iowa and how it has changed since 1960, one sees several strong trends. In a general sense, Iowa is becoming **more urban, older and more educated**. A drive through the Iowa countryside appears to defy the notion that the state is becoming less rural. After all, one still sees fertile farmland in production from horizon to horizon, just like always.

But the small farms older Iowans remember from their youth are much less numerous now. Some of the old farm houses still remain, but they are not on working farms anymore. Their residents now commute into town for their jobs. Other old farmsteads have been plowed into cropland, with no evidence of any buildings.

Certainly, any person living in the Midwest through the 1980's would have to be aware of the troubled times resulting from the "Farm Crisis." Through all of that, almost any ranking of agricultural production still finds Iowa among the leaders, especially in corn, soybeans, oats and hogs.

**Iowa Farm Population
1960 to 1990**



Source: Bureau of The Census, U.S. Department of Commerce

Although the Iowa 1990 population was similar to the 1960 total, by 1990 over 400,000 fewer Iowans lived on farms.

As Iowa's economy moved from 1960 through 1990, many dramatic trends emerged. Graphs and data do not reflect the human element behind the trends. We cannot diminish the pain that the agricultural (or any other) sector of the economy

endured during times of change. That aspect is more appropriately left to other forums. However, the end result has been a dramatic decline in the number of Iowans living on farms.

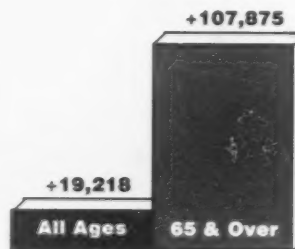
The 1850 census found only five percent of Iowa's population urban. A century later this had climbed to 47 percent. Today, urban areas (towns above 2,500) contain 61 percent of the population.

The rural nonfarm area gained a sizable number of inhabitants as a result of the farm loss. This indicates fairly large numbers moved to towns under 2,500, or remained in rural areas but did not engage in farming.

In 1960, the median age of the farm population was 28. By 1990, the median age had climbed to 38. Similarly, the 1990 median age for all persons in Iowa was 34, up from 30 in 1960.

Further evidence of Iowa's aging is a comparison of the over-65 population in 1960 and 1990. The state has long been noted for its longevity and has one of the higher percentages of above-65 population in the country.

**Iowa Population Increase
1960 to 1990**



Source: Bureau of The Census, U.S. Department of Commerce

Iowa's total population in 1990 was only 20,000 more than was counted in 1960. But by 1990 there were over 100,000 more Iowans over age 65.

In a couple of decades, the senior population of Iowa will begin to experience the baby boom bulge. Iowa's above age 65 population is already 15 percent of the total. This compares to the U.S. average of 12.5 percent. The Bureau of the Census projects that the U.S. over-65 percentage will climb

steadily each decade until it reaches about 20 percent in the year 2030. With Iowa's current 15% rate, Iowa can expect to hit the "1 out of 5" ratio somewhat sooner. The continual graying of Iowa appears to be in the future.

Iowans who are now over 65 spent most of their work careers in a very different work world than exists today. While female labor force participation rates may have been lower in the past, women have generally had higher educational levels than men. A full 57 percent of male Iowans over 75 are not high school graduates. For women over 75, only 46 percent did not complete high school. Today there are still more women with high school diplomas, 2-year degrees and 4-year degrees than men. Only at the post-graduate level are there more men with degrees than women. If women continue their high level of educational activity, they may soon match men in the number of advanced degrees earned.

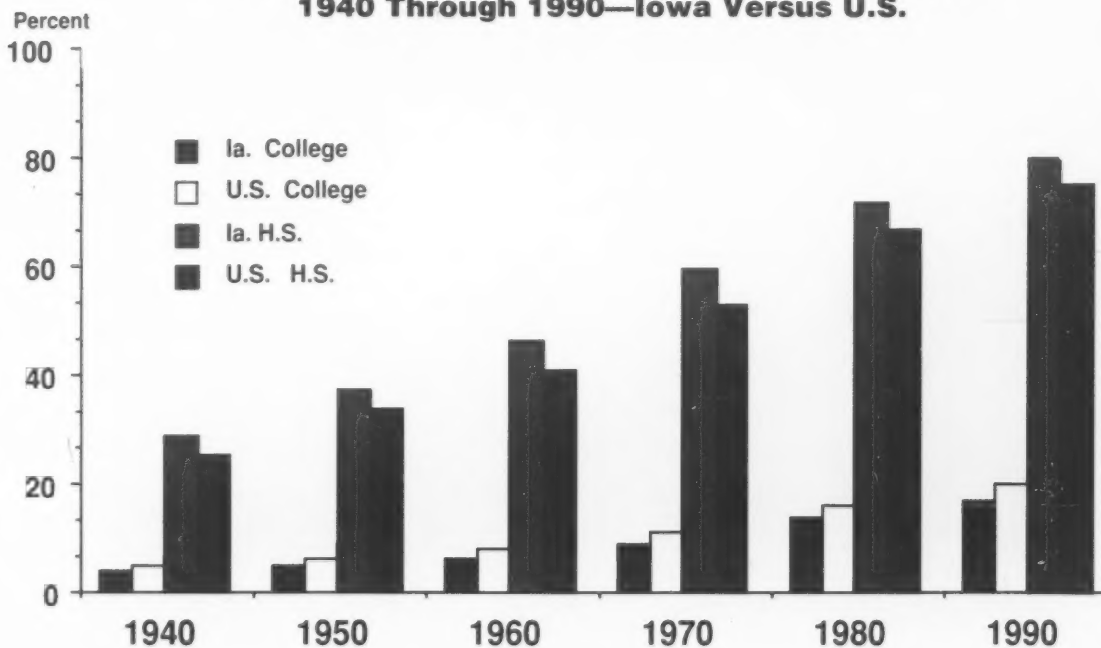
Educational attainment of Iowa's citizens has been on a general upward trend over the last few decades. Older generations achieved lower average

educational levels. Early in this century it was not uncommon for Iowans, especially males, to have left school after the 8th grade. This is reflected in 1990 census data which shows educational attainment levels significantly lower for Iowans older than age 65. In contrast, only 10 percent of males between age 25 and 34 had not completed high school.

Iowa's past rural nature and high percentage of farming and laboring jobs did not require advanced education. Today's job market places a much higher premium on education and technical training. In many cases, higher education has almost become a requirement to increase the chances for better employment opportunities.

Iowa traditionally is recognized as a leader in education and its students tend to score very well on both educational achievement tests and college admissions exams. Census data would indicate this recognition is valid.—Donald Pendroy, *Labor Market Information Unit (515) 281-5867*.

Educational Attainment of Persons Above 25 1940 Through 1990—Iowa Versus U.S.



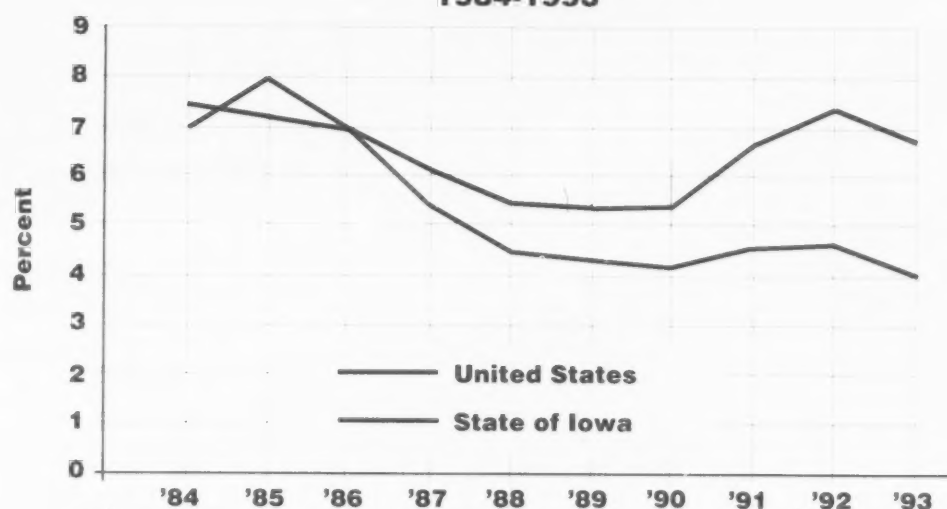
Source: *Iowa's Counties: Selected Population Trends, Vital Statistics, and Socioeconomic Data*, 1993 Edition, Census Services, Department of Sociology; Iowa State University.
We The Americans: Our Education, Bureau of the Census.

Labor Force and Unemployment

Not only did Iowa's civilian labor force hit a record high in 1993, but total employment surpassed all previous levels and the jobless rate was at its lowest since the early 1970's. For the first time since the 1990

recession, Iowa actually began to see some real progress and economic recovery. The manufacturing sector finally showed signs of a resurgence, adding 5,600 jobs over the year. This increase also generated jobs in other industries.

**Unemployment Rates
1984-1993**



Source: Labor Market Information Unit, Iowa Department of Employment Services

**Areas of High and Low Unemployment
Annual Average 1993**

High Rates		Low Rates	
County	Rate	County	Rate
Clarke	8.2 %	Sioux	2.4 %
Decatur	7.4 %	Iowa	2.4 %
Lee	6.9 %	Audubon	2.6 %
Floyd	6.8 %	Ida	2.6 %
Lucas	6.2 %	Johnson	2.6 %
Chickasaw	5.8 %	O'Brien	2.6 %
Delaware	5.7 %	Plymouth	2.6 %
Wapello	5.7 %	Lyon	2.7 %
Clayton	5.5 %	Buena Vista	2.9 %
Winneshiek	5.4 %	Cherokee	2.9 %
		Story	2.9 %

Source: Labor Market Information Unit, Iowa Department of Employment Services

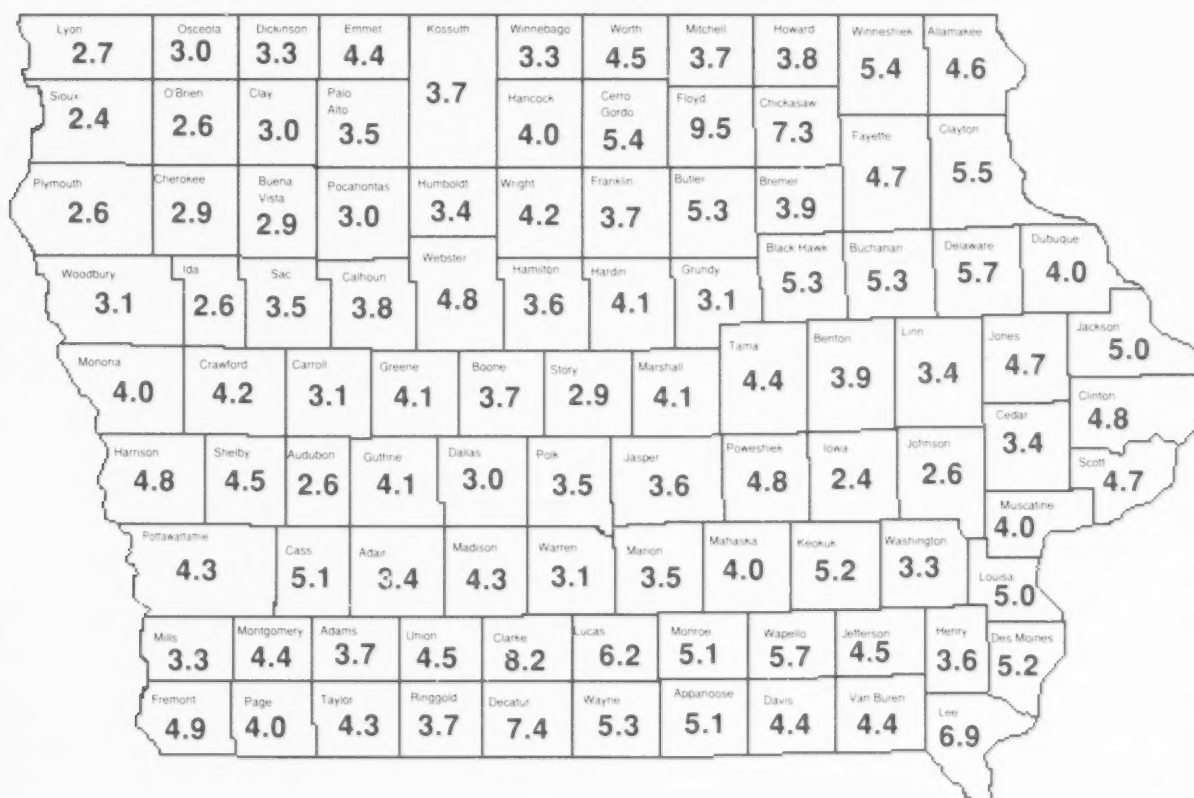
Even with the flooding that occurred in July, conditions for the state reflected improvement over 1992. Statewide unemployment dropped to 4.0 percent in 1993 from 4.6 percent in 1992. This rate was far below the 1993 national rate of 6.8 percent.

Unemployment data for Iowa's counties show that definite pockets of high and low unemployment existed across the state. The northwest corner of the state tended to have many counties with below average rates. Story and Johnson counties, home to two state universities, also reflected low unemployment figures throughout the year. In comparison, high unemployment rates were found in other areas. Clarke and Floyd counties both had high rates resulting from plant closings. In addition,

a couple of counties in northeast Iowa and a few of the eastern counties along the southern two tiers displayed some of the higher rates.

In 1993, the number of employed state residents topped 1.5 million and registered a three percent gain from the previous year. In fact, it was the biggest gain since 1986 when resident employment increased 2.9 percent. The steady growth in the state's employment is due to a combination of improving economic conditions and the increased participation of women and youth in the labor force. Additionally, a larger number of older workers have re-entered the workforce often holding part time jobs.—*Cynthia Boss, Labor Market Information Unit (515) 281-5877.*

Iowa Unemployment Rates by County Annual Average 1993



Source: Labor Market Information Unit, Iowa Department of Employment Services

Nonfarm Employment

Nonfarm employment in Iowa reached a record high of 1,277,100 during 1993, an increase of 24,500 over 1992. This year's gain was 10,000 more than the 14,500 increase from 1991 to 1992 and continues a pattern of yearly gains that began in 1987. Prior to that watershed year, the state had experienced several years of employment decline following the expansion decade of the seventies; in the period 1980 - 1986, only 1984 showed an increase (up 34,300), and it was not until 1988 that employment surpassed the 1970's high of 1,131,700.

The experience of the two major divisions of nonfarm employment, goods producing and service producing industries, vividly illustrates the character of the recession of the 1980's. Goods producing industries (manufacturing, mining and construction) lost a total of 82,200 jobs from 1979 to 1983, gained 12,500 in 1984, and then saw this one-year increase wiped out in 1985 and 1986. Since 1986, however, the goods producing sector has continued to reap sizable gains (except for the years 1991 and 1992), although at present, employment is still 36,000 below the all-time high of 322,300 recorded in 1979.

The service producing sector, on the other hand, lost a total of 19,700 jobs in 1981 and 1982, but since that time has consistently added workers, topping out in 1993 at 990,800 (compared to 809,400 in 1979). The years of greatest expansion, however, were 1987 through 1990, in which an average of more than 27,000 jobs were added each year; from 1991 through 1993, the average yearly employment gain was just 15,700.

At the same time, the length of the average workweek has steadily declined in recent years, suggesting that many of these new jobs may not be full-time positions. From 1979 to 1993 weekly hours in Iowa's private sector decreased two hours and 30 minutes; most of the decline occurred in trade and services, offsetting gains in manufacturing and construction. Weekly hours in the trade sector dropped nearly four and a half hours over the decade, from 33.9 hours a week in 1979 to 29.5 hours a week in 1993. The workweek in services stood at 30.3 hours during 1993 compared to 32.1 hours in 1979, a decline of an hour and 48 minutes a week.

Both services and trade have seen an increase of part-time and multiple job holders in recent years, a fact reflected in the decline in the average workweek during the period. This has especially affected trade, where sale as opposed to rental of consumer items is centered; the trade sector includes a number of industries

commonly misnamed "service" industries, such as retail sales, fast food establishments (and other eating and drinking places), convenience stores, service stations, etc. Services, on the other hand, includes a number of industries not predominantly known for part-time work opportunities, such as educational services, medical and dental services, engineering and consulting services, etc. However, a number of other industries within the services division do employ a significant number of part-time workers, such as amusement and recreation, hotels and motels, automobile and small appliance repair, beauty shops, etc. Many occupations within these industries are especially well-suited as second or part-time jobs.

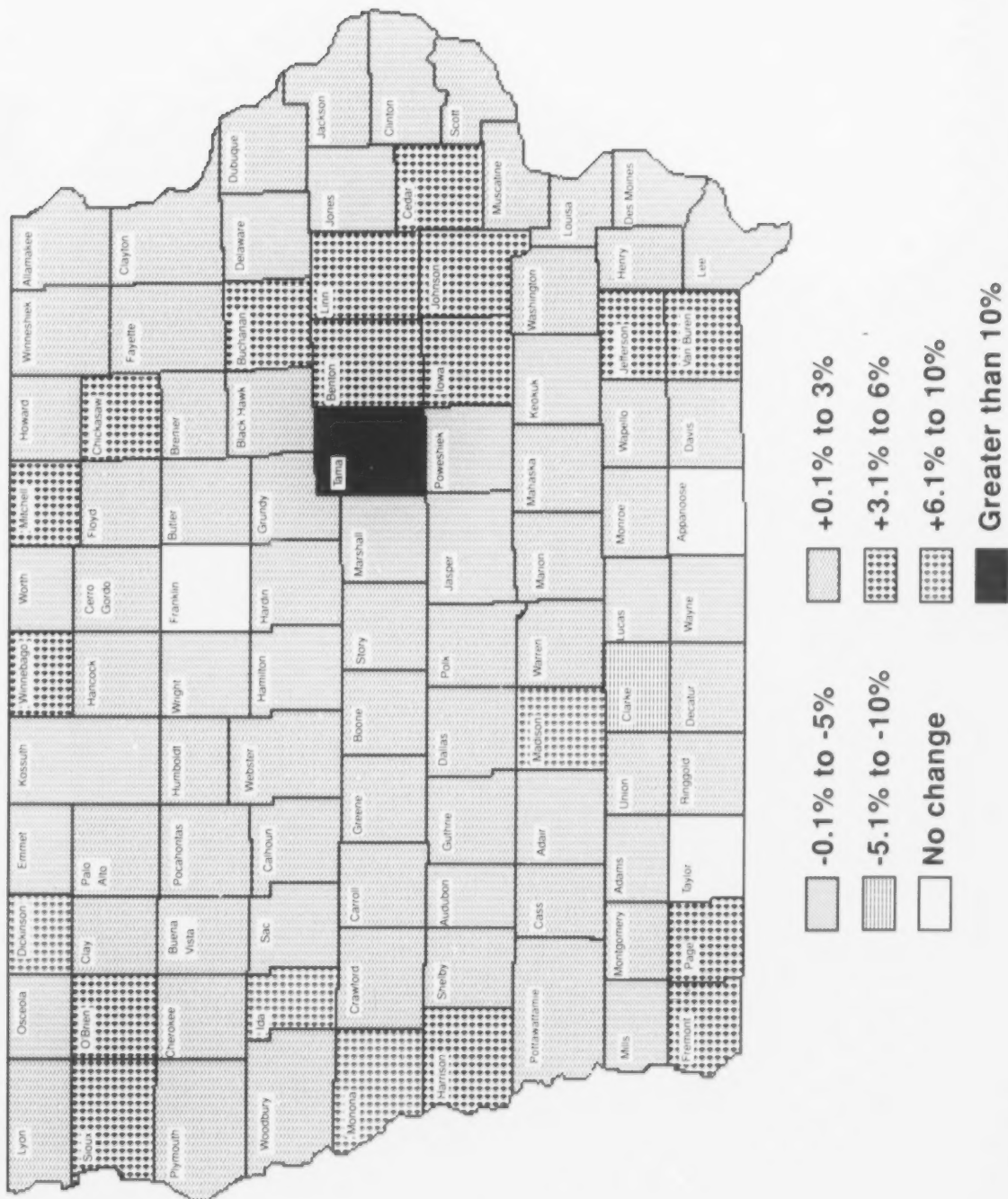
The situation was much the opposite in the goods producing sector during 1993, especially in manufacturing. Average weekly hours in manufacturing were up an hour and six minutes from 1979, and 1993's manufacturing work week of 41.6 hours was the longest since the 41.8 hours a week recorded as far back as 1951.

There appears to be little or no correlation between changes in the manufacturing workweek from year to year and changes in the level of manufacturing employment. In 1980 and 1983, for example, a shorter workweek was accompanied by massive layoffs of manufacturing workers; in 1984 and 1987, increased hours accompanied significant employment gains. However, in 1981, 1985 and 1991 there were sizable layoffs, and in 1988 a significant gain, all with little or no change in the length of the workweek. Finally, in 1989 increased employment was accompanied by a decline of 42 minutes in the average workweek.

Weekly hours in construction, the other major portion of the goods producing sector, were up 42 minutes from 1979 to 1993, but most of this gain occurred from 1992 to 1993. The longest workweek in construction was 40.8 hours, recorded in 1988.

The decade of the 1980's signalled the beginning of a shift in Iowa from a manufacturing-oriented economy to a service-oriented economy, although this past year has seen a remarkable resurgence in the manufacturing sector, with durable goods adding 3,300 new jobs and nondurable goods another 2,300. It remains to be seen whether manufacturing, and the entire goods producing sector, will continue to grow along with service producing industries such as trade, services and finance.—William T. Voyce, *Reporting Unit* (515) 281-3895.

1992-1993



Source: Audit and Analysis Section, Iowa Department of Employment Services

Goods Producing Industries

Manufacturing

Recessions have traditionally dealt a heavy blow to the state's manufacturing industries. The recession that started in 1990 was no exception. After climbing to a nine-year peak employment of 236,400 in 1990, manufacturing fell on hard times. Over the course of the next two years, the industry lost 6,000 jobs.

A recurring problem for Iowa has been the composition of its manufacturing employment. A detailed breakdown of the industry for 1993 depicts less diversification for the state than for the country as a whole. In Iowa, manufacturing has close ties to agriculture, and one in every five jobs is in food products. This industry alone averaged 50,100 workers in 1993. The second-highest concentration

consumer confidence, helped to rebuild the industry's employment to a level of 235,800.

The job gains that occurred last year were the largest experienced since 1989. The industry added 5,600 jobs in 1993. About one-fifth of the job growth was reported in the state's eight large metropolitan areas, indicating that the state's factories expanded at a faster pace in the smaller cities and towns.

In addition to improved economic conditions in 1993, Iowa was chosen as the site for job expansions announced by Lennox Industries in Marshalltown and the Maytag Corporation in Newton. During the fourth quarter of 1993, Lennox began hiring to consolidate operations from its Columbus, Ohio, plant at its current Iowa location in Marshalltown. The company will produce cooling as well as heating equipment at this site, a move that could

Manufacturing Employment by Metropolitan Statistical Area 1992-1993

	1992	1993	Net Change	Percent Change	
Cedar Rapids MSA	20,800	20,800	0	0.0	
Des Moines MSA	24,900	25,000	100	0.4	
Dubuque MSA	12,200	12,600	400	+3.3	
Iowa City MSA	4,400	4,200	-200	-4.5	
*Pottawattamie County	4,200	4,200	0	0.0	
**Scott County	12,400	12,800	400	+3.2	
Sioux City MSA	11,300	11,900	600	+5.3	—
Waterloo-Cedar Falls MSA	14,300	14,200	-100	-0.7	

* Pottawattamie County is the Iowa portion of the Omaha Council Bluffs MSA.

** Scott County is the Iowa portion of the Davenport Moline Rock Island MSA.

Source: Reporting Unit, Iowa Department of Employment Services

of employment is in industrial machinery, which reported 40,500 workers last year. A comparison with national data shows that Iowa is under-represented in such industries as apparel, chemicals, and transportation equipment.

However, manufacturing rebounded in Iowa last year with a surprising strength. While the nation's manufacturing employment declined by another 1.3 percent, Iowa's factories grew by 2.4 percent. Low interest rates, coupled with a restoration of

add as many as 600 workers to its payroll. Meanwhile, Maytag Corporation chose Newton rather than Herrin, Illinois, as the town where its new energy-efficient washing machines will be produced. This expansion will mean 100 to 200 more jobs and an investment of \$40-\$50 million in new equipment.

A major setback for manufacturing was the July 1993 flood that disrupted normal production activity in more than 60 Iowa plants. Department of

**Manufacturing Employment in Iowa by Specific Industry
1992-1993**

<u>Industry Title</u>	<u>1992</u>	<u>1993</u>	<u>Net Change 92-93</u>	<u>Percent Change 92-93</u>
Manufacturing	230,200	235,800	5,600	2.4
Durable Goods	126,900	130,200	3,300	2.6
Lumber, Wood & Furniture Products	13,700	14,800	1,100	8.0
Stone, Clay & Glass Products	5,800	5,900	100	1.7
Primary Metal Products	7,500	7,500	0	0.0
Fabricated Metal Products	14,300	14,500	200	1.4
Industrial Machinery & Equipment	39,000	40,500	1,500	3.8
Electronic & Other Electrical Equipment	18,700	19,000	300	1.6
Transportation Equipment	11,300	11,700	400	3.5
Instruments	11,000	10,500	-500	-4.5
Miscellaneous Manufacturing	5,500	5,800	300	5.5
Nondurable Goods	103,300	105,600	2,300	2.2
Food & Kindred Products	49,400	50,100	700	1.4
Apparel Products	5,700	6,000	300	5.3
Paper & Allied Products	5,900	6,000	100	1.7
Printing & Publishing	20,100	20,300	200	1.0
Chemicals & Allied Products	7,200	7,500	300	4.2
Rubber & Plastics Products	13,200	13,800	600	4.5
Other Nondurable Goods Products	1,700	2,000	300	17.6

Source: Reporting Unit, Iowa Department of Employment Services

Employment Services records on jobless benefits showed that manufacturing accounted for 58 percent of the flood-related claims filed by workers in the nonfarm sector. A significant share of these manufacturing claims were filed by workers in Polk, Lee and Crawford counties. The hardest hit segment of manufacturing was food products, followed by rubber and plastics. Montfort, Inc., a Des Moines meat-packer, was forced to close for almost three weeks due to the lack of water. Although the layoffs were temporary for most plants, the future of Pitt-Des Moines, Inc., a manufacturer of fabricated metal products, is still hanging in the balance. At the end of 1993, the company was down to about one dozen employees from its pre-flood level of 250.

Because of the state's strong dependence on agriculture, there was some concern about the long-term effects of the flood on farm income. In Deere & Company's official news release for fiscal year 1993, those concerns are mitigated. In spite of the flooding in the Midwest, Deere & Company

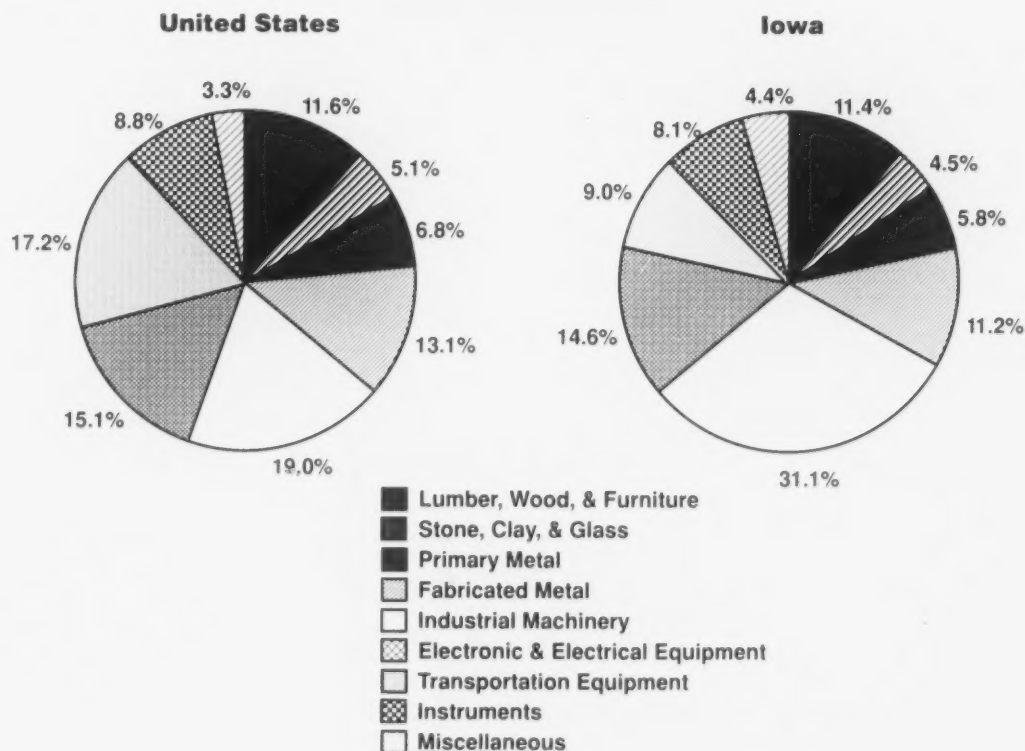
expected farm income to reach a record level in 1993. The release cites, favorable livestock prices in 1993, farmers' ability to boost their cash flow by selling inventories accumulated from record corn and soybean yields in 1992, and government payments to farmers affected by the flooding as reasons for the favorable trend in farm income.

Now that manufacturing has weathered a natural disaster as well as a recession, certain signs point to a more durable expansion and a reversal of the long-term decline in the industry. The basis for this optimism is the dramatic rise in U.S. competitiveness. Since 1985, U.S. unit labor costs have declined sharply against those of other major industrial nations. This competitive edge has compelled many foreign companies to set up or expand plants in the U.S.

Durable Goods

Employment in durable goods manufacturing increased to a level of 130,200 in 1993. The larger gains were reported for industrial machinery and

Durable Goods Employment 1993 Distribution



Source: Reporting Unit, Iowa Department of Employment Services, Bureau of Labor Statistics, U.S. Department of Labor

lumber, wood and furniture products. Orders for durable goods were largely driven by the low interest rates that prevailed throughout the year.

The flooding that occurred during the summer of 1993 spurred a strong regional demand for construction machinery. This type of equipment was needed for cleanup and repair to levees, buildings, roads, bridges and railroads. Also, improved cash flow along with low interest rates encouraged many contractors to invest in new machinery. One highly successful firm that gave Iowa's industrial machinery industry a boost last year is Vermeer Manufacturing in Pella, Iowa. To achieve growth, Vermeer has worked hard to continually introduce new products to the market.

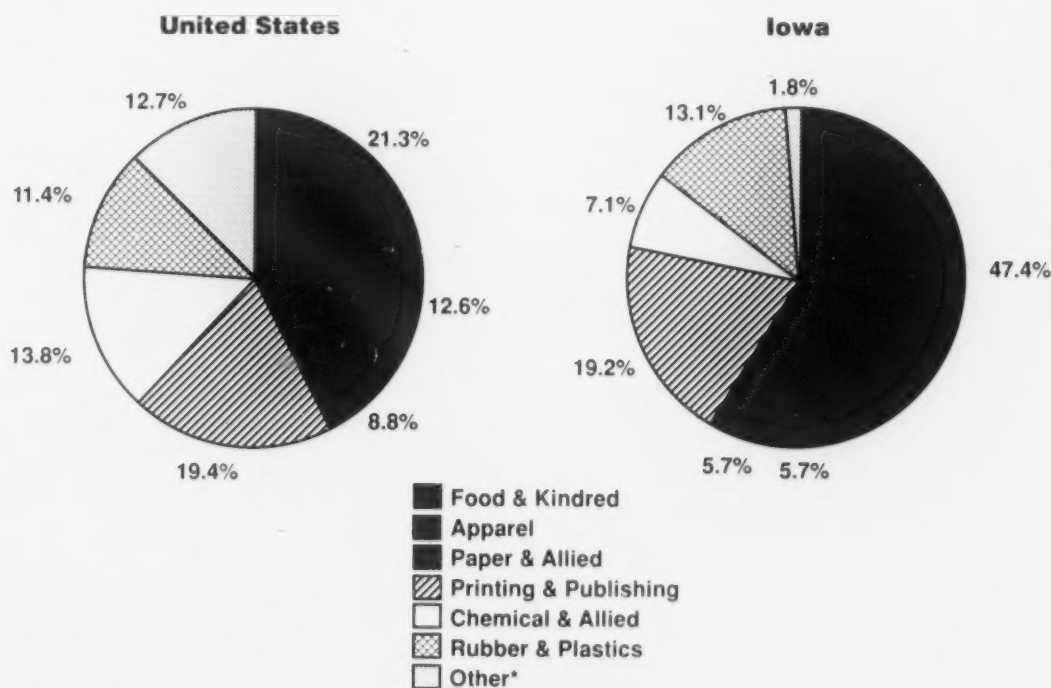
Deere & Company, the state's largest manufacturer of industrial machinery, reported considerable improvement in business conditions for 1993. Deere's North American equipment operations fared better last year due to an increase in retail demand for the company's products. Even though retail sales of agricultural equipment

remained relatively weak in overseas markets, overall sales of agricultural equipment were higher in 1993. This trend confirmed the good acceptance of the new tractors and combines manufactured by Deere. Initial 1994 worldwide production schedules for the company are about nine percent higher than actual 1993 output.

Over 400 jobs were lost in Iowa's industrial machinery industry when White/New Idea closed in Charles City at the end of July. The plant was owned by Allied Products Corporation of Chicago and manufactured transaxles for tractors. In the 1970's, the plant was well known under the "Oliver" name and employed as many as 2,600 workers.

Lumber, wood and furniture products expanded by 1,100 jobs in 1993, responding to the increase in housing starts and the continuing high level of expenditures for repair and remodeling work. Nationally, residential construction grew by 4 percent in 1993. This figure translated into more than 1 million new single family units. The trend prevailed in Iowa also. Permits for residential

Nondurable Goods Employment 1993 Distribution



* Other nondurable goods includes tobacco, textiles, petroleum and leather

Source: Reporting Unit, Iowa Department of Employment Services

construction were up 8.8 percent last year, increasing to \$525,529,000 in 1993 from \$483,200,000 in 1992. The demand was strong for furniture, doors, windows and the various types of millwork produced in the state. Iowa's furniture manufacturers also noted a growing demand for "motion" furniture, which has quickly become an integral part of home entertainment centers.

The only segment of durable goods that suffered a loss in employment last year was instruments. About 500 jobs were lost in this industry, and most of the downturn was tied to the continuing weakness in the commercial airline industry. Rockwell Corporation, the state's second largest manufacturer, was forced to trim its Rockwell-Collins division in Cedar Rapids. Rockwell manufactures parts for 148 airlines around the world.

Nondurable Goods

Nondurable goods increased its employment for the seventh consecutive year by reaching a high of 105,600 workers in 1993. Food products is by far the largest of the nondurable goods industries, followed by printing and publishing and rubber and plastics products.

The state's food products plants hired 700 additional workers in 1993 with gains fairly evenly distributed among producers of meat, bakery and other types of food products. Grain mill products was the only segment of the industry to lose employment last year.

The food and beverage industry as a whole is considered to have reached the point of full maturity. Future growth is expected to be slower because of a slowdown in population growth, changes in consumer buying habits, and the changing composition of U.S. households. An aging population and a greater number of single-person households suggests that spending for food and beverages is likely to increase slowly. There has also been a noticeable shift from at-home outlays for food and beverages toward away-from-home outlays.

Even though employment grew last year in meat products, the state's pork processing plants were faced with tight hog supplies. Despite the fact that Iowa leads the nation in hog producing, the supply of hogs fell far short of the capacity at these plants.

In Sioux City, 1,300 jobs were saved at the John Morrell pork processing plant. The owners of the company and Sioux City officials negotiated to keep the pork plant open. In Davenport, meat products

employment expanded at the Oscar Mayer Foods plant. More business, along with some company consolidations, accounted for the gains.

Three nondurable goods industries—apparel, chemicals, and leather and textiles—added 300 workers each during the year. The fastest-growing nondurable goods industry was apparel which expanded at an annual rate of 5.3 percent. Iowa has a variety of plants that are classified in the apparel industry. They produce not only clothing, but also such items as comforters and canvas dock shelters.

Construction

Low interest rates and repair work that was needed after the flood fueled continued growth in the state's construction industry in 1993. Employment in construction reached 48,400 last year, the highest level experienced since 1980 when the number stood at 50,900.

Most of the 1,200 gain from 1992 occurred in the special trades. This component employed 58 percent of the industry's workers in 1993 and includes such activities as painting, electrical work, carpentry, plumbing, heating, air-conditioning, roofing, sheet metal work and asbestos removal. General building construction added 500 new jobs in 1993, reflecting the continuing trend in new homebuilding. However, heavy construction declined by 300 jobs. Street and highway work are included in this component.

Iowa's construction companies have begun to experience some labor shortages. Part of the problem stems from the industry's resurgence after several years of declining employment. During the early 1980's, a general malaise in the state's economy forced thousands of workers out of the industry. A slow rebound became noticeable in the industry in 1987. Demographic trends will have a major influence through the 1990's, as the supply of young workers dwindles.

In 1993, construction costs increased by about 4 percent, as measured by the Census Bureau's fixed-weight construction cost deflator. This was about double the average annual rate of increase during the previous five years. Nationally, the average hourly earnings of construction workers increased by about 1.7 percent in 1993, edging up to \$14.35 an hour from \$14.11 in 1992. Iowa's construction workers realized an annual gain of 3.4 percent, as the hourly rate rose to \$13.31 an hour from \$12.87 in 1992. Additionally, construction ranked as the state's highest-paying private industry.

Aggregate data on building permits authorized in the state for 1993 depicted a healthy increase in most types of construction. New residential construction, consisting of both single-family homes and multi-family buildings, had a current-dollar value of close to \$897 million last year. Business also prospered in nonresidential construction and in remodeling and repair work. Again, extensive flood damage in the state generated a strong demand for repair work. In nonresidential construction, industrial projects reflected the

sharpest gain from 1992. Other increases were reported in hospitals, parking garages, service stations, stores, and public works projects.

The flood left its mark in virtually every area of the state. Damages in some cases were so substantial that emergency road work needed to be done. For example, Highway 65 north of Bondurant was completely undermined, and bridges south of Carroll and Jefferson were washed out. Bridge and highway work that was undertaken during the first 180 days following the flood was 100 percent

Value of Construction Authorized by Building Permits (in thousands) Iowa

	1993*	1992	1991	1990	1989
New Residential					
1 unit	\$772,739	\$675,494	\$523,804	\$443,213	\$387,080
2 or more units	124,215	136,322	79,639	87,553	89,782
Total	896,954	811,816	603,443	530,776	476,862
Nonhousekeeping					
Hotels	6,342	12,089	8,859	26,988	31,266
Nonresidential					
Amusement	6,978	7,820	13,881	9,770	11,338
Religious	8,480	12,119	7,113	7,619	6,705
Industrial	135,436	59,259	51,225	86,028	95,467
Parking Garages	6,084	3,525	29,947	19,601	7,910
Service Stations	9,307	8,915	7,255	6,934	4,580
Hospitals	25,824	15,897	11,745	20,712	18,909
Offices	64,968	76,653	59,769	66,861	99,027
Public Works	7,073	5,202	6,153	5,023	14,655
Schools	9,440	16,999	5,726	12,478	6,503
Stores	104,069	83,380	103,421	89,693	100,546
Other Buildings	35,855	41,200	27,862	23,443	22,863
Non-buildings	7,263	6,607	5,259	6,033	5,506
Total	420,777	337,576	329,356	354,195	394,009
Additions, Alterations & Conversions	361,265	303,465	273,951	292,090	238,015

*Data for 1993 are preliminary.

Source: Building Permits Branch, Construction Statistics Division, Bureau of the Census, U.S. Department of Commerce

reimbursed by the Federal Highway Administration. Flood-related road work after the first 180 days was reimbursed at the 80 percent level.

Excluding the Federal funding received for flood damages, Iowa spent considerably less for road projects in 1993 than it had during the previous two years. About \$359 million in projects was let during the year compared with \$440 million for the previous year. However, the Iowa Department of Transportation spent unusually high amounts of money during 1991 and 1992 in an effort to use funds that had accumulated. Major road projects in 1993 included the section of the Avenue of the Saints from Cedar Falls to Waverly, Highway 163 between Burlington and Des Moines, Highway 71 from Spencer to Okoboji, and Highway 61 from Keokuk to Montrose. The Burlington Bridge also opened in 1993.

The overall outlook for construction continues to appear favorable. The Midwest is expected to be a major beneficiary of the anticipated revival in manufacturing output, and it has less building capacity than the rest of the nation. The industry will face a number of supply-side challenges during the next five years, including foreign competition, the availability of workers, and the cost of insurance. The most promising construction markets will tend to be home improvement, hospitals, telecommunications, highways, and water supply. The weakest segment of construction will be office buildings and hotels, where surpluses are greater.

Mining

Mining employment remained at 2,100 in 1993. Although nonfuel mineral production accounts for most of the employment in the industry, coal mining is still being done by the American Coals Corporation in Marion County. The Jude Coal Company closed in 1993.

Iowa's nonfuel mineral industry produced an estimated \$344 million of mineral commodities last year. The 1993 total was down from \$391 million in 1992. Among the 50 states, Iowa ranked 31st in mineral value.

The leading mineral commodity in the state is stone, representing about 53 percent of Iowa's total mineral value. However, the value of stone fell almost \$6 million below the 1992 estimate. Cement output, both portland and masonry, accounted for 24 percent of the state's 1993 mineral value. Cement was the second leading commodity produced last year, but value for both cement types declined almost \$38 million from the prior year. The third leading commodity was sand and gravel which made up 17 percent of the total mineral value. Sales for this commodity were \$500,000 below 1992.

The flooding in several areas of eastern Iowa in 1993 was a major factor in the temporary closing of mining operations and the work stoppage at projects requiring construction minerals.—*Ann E. Wagner, Labor Market Information Unit (515) 281-8182.*

Service Producing Industries

Transportation, Communication and Public Utilities

Employment in this category increased to 56,600 in 1993 from 55,100 in 1992. The only industry to add jobs last year was motor freight transportation, which registered an annual gain of 2,200. Employment was down in all other areas of transportation and in communications and utilities.

Virtually all forms of transportation were affected in some way by the flood. Water and railroad transportation was severely hampered for most of the summer. Barge traffic on the river between Cairo, Illinois and Dubuque, Iowa stopped in early July and resumed on a restricted basis in late August. Railroads incurred large damages, as tracks were covered by water in some areas of the state. In all, Iowa's railroads sustained an estimated \$17-18 million in damages. Twelve Iowa railroads applied for \$11.9 million in Federal funds.

From all indications, 1993 proved to be a strong year for the state's trucking industry. Due to a dramatic increase in freight, several firms in the state invested in new equipment and added drivers. Motor freight transportation and warehousing rose to an employment level of 26,000 in 1993. This segment represented 46 percent of the total number of workers employed in transportation, communication and public utilities.

Trucking continues to be affected by declining lengths of haul and the increasing use of information technology. The trend toward more streamlined manufacturing operations and the desire for just-in-time delivery schedules have created a demand for shorter, more reliable truck supply routes. Also, many carriers are becoming regionalized in an effort to retain drivers by limiting their time away from home. Shorter routes are typically 250 to 500 miles in length.

Iowa's railroads and local and suburban passenger transportation reflected declines of 200 each in 1993. Railroad employment has declined steadily over the last four years, decreasing from 4,700 in 1989 to 3,700 in 1993. The closing of the Greyhound Bus Lines accounting office late in the year caused the drop in local passenger transportation employment. Greyhound opened its accounting

facility in West Des Moines in the mid-1980's and employed about 400 people at the time the closing was announced.

The state's communications and utilities industries are still trying to achieve maximum efficiency through mergers and corporate restructuring. In 1993, the local exchange telephone companies were faced with increasing competitive pressures in certain local services they had monopolized for years. The Iowa Communications Network, the state-owned fiber optics system, became operational in October 1993. To date, this network has 122 video classrooms. Its primary purpose is to carry voice, video and data traffic for government and education. Another form of competition came on board in November when the Iowa Utilities Board granted permission to McLeod TeleManagement to offer local phone service to small businesses in 10 Iowa communities. The company will also broker long-distance telephone service and other communications products.

Over the past three years, the number of major electric and gas utilities in the state has decreased from six to four. On December 31, 1993, the merger was completed between Iowa Electric Light & Power in Cedar Rapids and Iowa Southern Utilities in Centerville. The utility company is currently known as IES Utilities, Inc. The merger did not result in any loss of employment.

Wholesale Trade

The wholesale trade industry accounted for 78,500 workers in 1993, 600 less than the record employment level of 79,100 reported for 1992. The industry is highly diverse and heavily influenced by the state's agricultural economy. About 40 percent of wholesale trade employment is directly linked to agriculture. Farm and garden machinery and equipment is the largest of the durable goods industries, while farm supplies heads the list of the nondurable goods industries.

Wholesale trade is composed of a few large companies and many small firms. Pioneer Hi-Bred International, Inc., is the largest employer in the industry with over 1,000 employees in the state. The company is recognized as the world's largest seed corn company. Data on wholesale trade for 1993 showed some growth for establishments

involved in the distribution of office equipment and prescription drugs. One long-established firm in northeast Iowa, The Lansing Company, revealed plans to expand its operation. The company is a button wholesaler that also distributes dry goods such as cotton yarn and knitting accessories. A company that has displayed a dramatic increase in growth is Eagle Point of Dubuque. The firm, which is a direct marketer of civil engineering software, started with a handful of employees a few years ago and has grown to well over one hundred.

Wholesale trade, like many other industries, is faced with ongoing structural change that began in the early 1980's and continues today. One of the main challenges for the industry is the increasing use of alternative channels of distribution. The primary alternative channels of wholesale distribution are direct manufacturer-to-retail arrangements, warehouse clubs, discount stores, and home center stores. Other forms of distribution include mail order, catalog sales and direct sales from manufacturer to industrial user or from retailer to industrial users.

The fact that Iowa's wholesale trade industry has a strong dependence on the sale of farm raw materials may also stand in the way of future growth. The market for bulk commodities is viewed as a mature market. Therefore, future growth in the industry will hinge on the performance of wholesalers that deal in capital goods products and

consumer goods. Nationwide, the largest revenue producer of the capital goods line is machinery and equipment. In Iowa, industrial machinery is among the top five durable goods industries within wholesale trade.

Retail Trade

Although retail trade expanded by 38,000 jobs over the last decade, the industry's share of nonfarm employment was 18.9 percent for both 1984 and 1993. The fastest-growing area of retail trade during the ten-year period was food stores, which grew by almost 29 percent.

The fastest-growing area of the industry in 1993 was miscellaneous retail. This segment added 800 jobs last year. Book stores, drug stores, florists, hobby and craft shops, and toy stores are included in this category. The largest decrease in employment was reported for automotive dealers and gasoline service stations, where 700 jobs were lost. Iowa's general merchandise stores remained flat in 1993. Despite several new entries in this category, a series of store closings offset any job growth that occurred. As the result of a bankruptcy reorganization, several Spurgeon stores were closed in the state. At the end of the year, Pamida Discount Stores were closed in Boone, Centerville, Decorah, Maquoketa, and Mt. Pleasant.

According to company rankings for 1993, Hy-Vee of Chariton retained its status as the state's

Wholesale Trade*

Top Ten Durable Goods Products

- Farm and Garden Machinery and Equipment
- Motor Vehicle Supplies and New Parts
- Industrial Machinery and Equipment
- Office Equipment
- Electrical Apparatus and Equipment, Wiring Supplies, and Construction Materials
- Automobiles and Other Motor Vehicles
- Industrial Supplies
- Computers and Computer Peripheral Equipment and Software
- Scrap and Waste Materials
- Plumbing and Heating Equipment and Supplies (Hydronics)

Top Ten Nondurable Goods Products

- Farm Supplies
- Grain and Field Beans
- Groceries, General Line
- Groceries and Related Products, Not Elsewhere Classified
- Livestock
- Petroleum and Petroleum Products Wholesalers, Except Bulk Stations and Terminals
- Stationery and Office Supplies
- Meats and Meat Products
- Beer and Ale
- Drugs, Drug Proprietarys, and Druggist Sundries

* Based on employment for third quarter 1993.
Source: Reporting Unit, Iowa Department of Employment Services

largest employer and largest employer in retail trade. Hy-Vee employed over 15,000 workers in Iowa last year. The large supermarket chain continued its aggressive program of relocating and expanding stores in the state. A new Drug Town was opened in Charles City, and a second major distribution center was opened at company headquarters in Chariton.

Taxable retail sales in Iowa increased from \$19.5 billion in fiscal year 1992 to \$20.4 billion in fiscal year 1993. (Fiscal year 1993 included the last three quarters of calendar year 1992 plus the first quarter of calendar year 1993.) Over the last five fiscal years, taxable retail sales in the state have increased an average of 4.7 percent per year.

Finance, Insurance and Real Estate

Employment in this category climbed to a record level of 74,100 in 1993, a gain of 1,800 jobs from the previous year. About 67 percent of the jobs added in 1993 occurred in the insurance industry. Iowa's banks and savings institutions showed a slight decline in employment, primarily because of continuing mergers. Real estate added 300 jobs in response to the strong demand for homes that prevailed in most areas of the state.

Iowa's 530 commercial banks increased their earnings last year to \$512 million from \$456 million in 1992. These same banks held \$38.7 billion in assets. Commercial banks, savings institutions and credit unions benefited from high net interest rate margins — the spread between interest income and interest expense. However, a substantial

number of depositors diverted funds from banks, thrifts, and credit unions to alternative investments such as mutual funds and common stock.

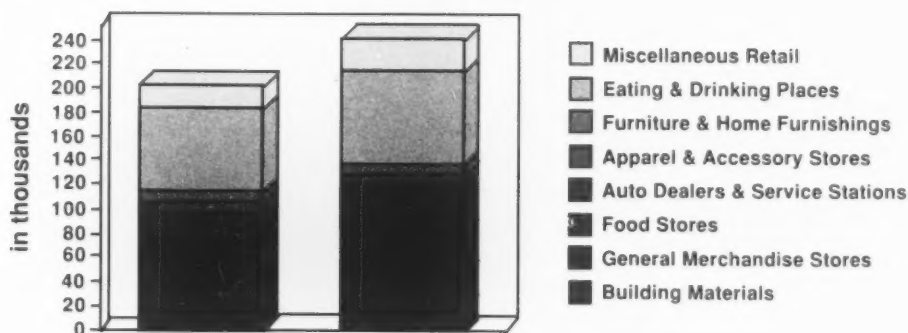
The state's insurance industry reflected strong growth last year, most of which occurred in Des Moines. Des Moines has benefited from the consistently strong pattern of growth displayed in insurance, and has become the third leading insurance center in the world (ranking behind Hartford, Connecticut and London).

The Principal Financial Group, which is headquartered in Des Moines, is the state's largest insurance company. The company is currently adding a \$60 million expansion in downtown Des Moines that will support further growth. Other large insurance companies in the state include IASD Health Services (formerly Blue Cross and Blue Shield of Iowa), Allied Group, Incorporated, and Aegon USA, Incorporated.

One of the most noticeable trends in the state's insurance industry has been the impact of technology. Because of the tremendous expense involved in acquiring new technology, such as imaging equipment, leasing or outsourcing this type of technology has become a common practice.

Several Iowa insurance companies have experienced a dramatic increase in the assets that they manage because of their ability to capitalize on shifting demographics. Many of them have designed products that fit the needs of the 55+ age group, a rapidly growing segment of the population. These products include annuities, nursing home insurance, and other types of products that

Iowa Retail Employment 1984 and 1993



Source: Reporting Unit, Iowa Department of Employment Services

supplement retiree's income. "Risk-based capital" is a relatively recent regulation in the insurance industry that will require some companies to adjust internal operations. This regulation is backed by the National Association of Insurance Commissioners and stipulates that companies match revenue streams to consumer obligations. Risk-based capital has been incorporated in the annual statement that is filed each year by companies doing business in Iowa.

Insurance companies that provide health care benefits continue to focus on some of the state health reforms that were initiated a few years ago. These initiatives began with work undertaken by the Iowa Leadership Consortium, a forum for health care reform that included leaders in business, government, labor, and the insurance industry. The State Reform Council, appointed by Governor Branstad, evolved from this initiative. State health reform focuses on five different areas: benefits, financing, cost containment, provider access, and quality of care.

Services

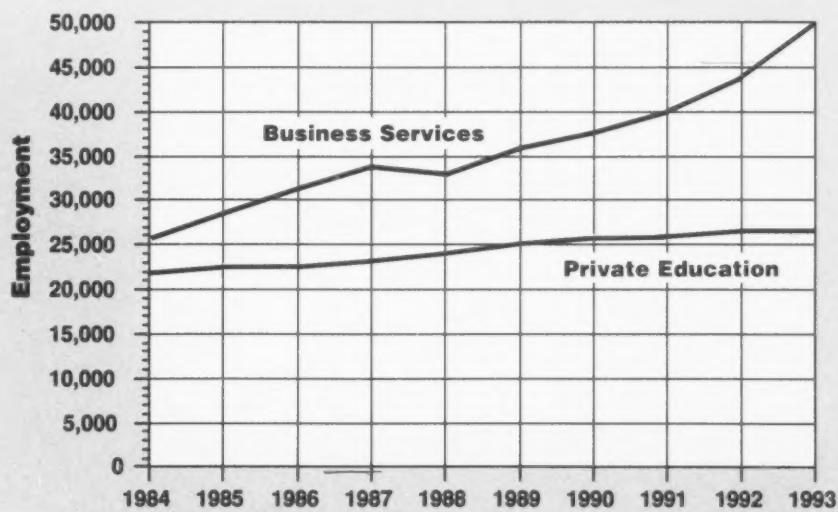
Services, the state's largest industry, climbed to an employment level of 317,400 in 1993. This level was 9,500 higher than the year before and 90,400 higher than it was in 1984. Although health care accounts for one-third of employment in the industry, business services turned in the strongest performance for the year and also for the decade.

Since 1984, employment in business services has almost doubled, increasing from 25,800 in 1984 to 49,800 in 1993. In addition to business services, growth has also been fast for social services and amusement and recreation over the last decade.

The proliferation of computer-related services, personnel supply agencies, and telemarketing firms has fueled most of the growth that is reflected in business services. Computer-related services, such as computer programming and prepackaged software, have become a very visible force in Cedar Rapids and Des Moines and some of the other larger cities in the state. National trends indicate that the packaged software business remained one of the faster-growing sectors of the U.S. economy in 1993. In the area of telemarketing, the growth of APAC Teleservices, Incorporated, has been a significant factor. APAC, which has its operational headquarters in Cedar Rapids, added over 600 workers in Iowa last year. Offices were opened in Decorah, Iowa City, Marion, Mt. Pleasant and Waterloo. The telemarketing firm specializes in credit card acquisition, insurance and customer service.

Although health care accounts for the largest share of employment in services, the industry's growth rate was only 1.5 percent for 1993. Hospitals reported a decline in employment for the first time since 1985. The growth in health care continued to take place in home care, in nursing homes and in doctors' offices and clinics.

Business Services and Private Education 1984-1993



Source: Reporting Unit, Iowa Department of Employment Services

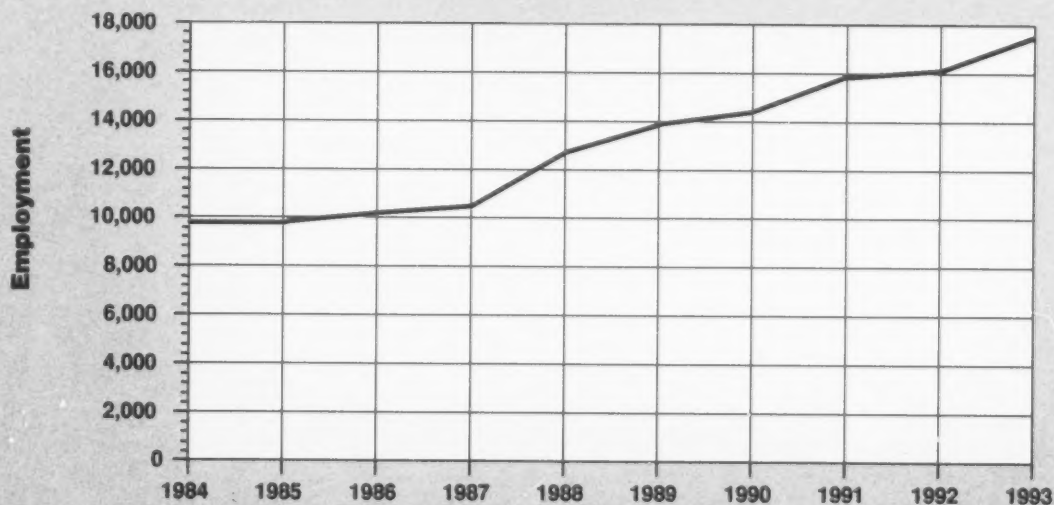
According to The Iowa Hospital Association, hospital employment may be in further jeopardy. The passage of the Omnibus Budget Reconciliation Act of 1993 will put an additional financial strain on the state's hospitals. Each time a Medicare patient is admitted for inpatient care, hospitals are losing hundreds of dollars. The Iowa Hospital Association projects that the average loss per inpatient case for Medicare will grow to \$763 in 1994 and that Iowa hospitals will lose a total of \$108 million in treating Medicare patients in 1994. The situation could become critical if further cuts are made in Medicare to finance health care reform.

After business services, amusement and recreation services reflected the second-fastest rate of growth in 1993. This area of services expanded largely because of growth at the state's newest gambling establishments, primarily the Mesquakie Bingo and Casino at Tama. Other types of gambling

establishments, such as the riverboat casinos and the four pari-mutuel tracks, were faced with declining attendance and job losses. The arrival of the Sioux City Soo, which docked near downtown Sioux City, failed to offset the jobs that were lost when the Dubuque Casino Belle departed the state in March 1993.

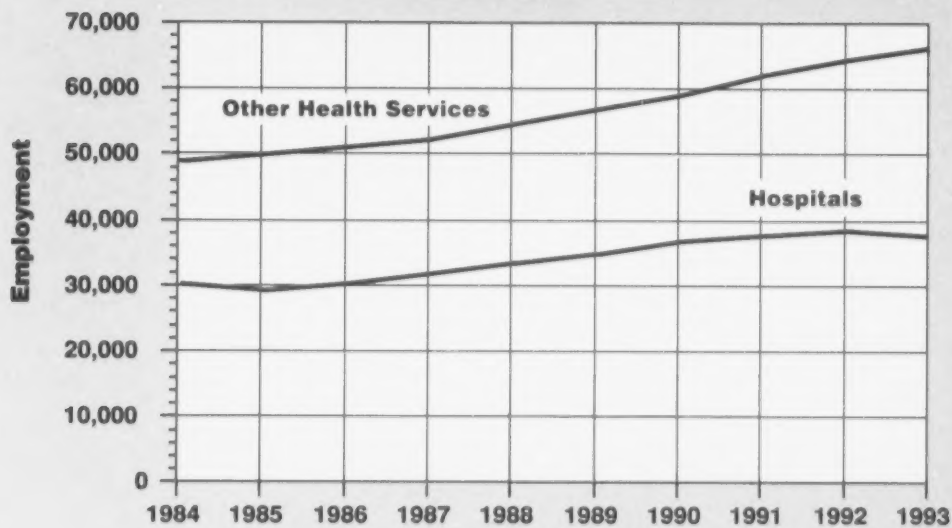
Because of summer flooding, Iowa's tourism industry in general suffered severe financial losses. These losses also extended to lodging facilities and private campgrounds. The number of travelers visiting Iowa dropped substantially for the months of July, August and September. Due to national media coverage of the flood, travelers were left with the inaccurate impression that Iowa was "closed for business." In reality, only a few tourist attractions were closed because of the flood.—*Ann E. Wagner, Labor Market Information Unit (515) 281-8182.*

Amusement and Recreation 1984-1993



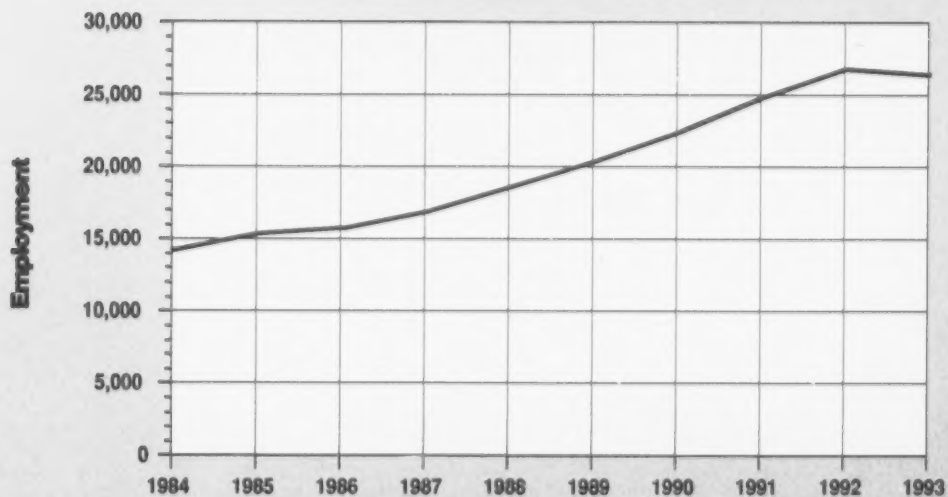
Source: Reporting Unit, Iowa Department of Employment Services

Health Services 1984-1993



Source: Reporting Unit, Department of Employment Services

Social Services 1984-1993



Source: Reporting Unit, Department of Employment Services

Iowa at Work

Covered Employment and Size of Firm

In the 12 months ending September 1993, there has been steady growth in the number of employees covered by unemployment insurance. These employees comprise 96.7 percent of Iowa's wage and salaried workers. The employment data represent the number of covered workers who worked during, or received pay for the period that included the 12th day of the month.



Iowa's covered employment includes most corporate officials, executives, supervisory personnel, professionals, clerical workers, full and part-time workers. It excludes proprietors, the self-employed, unpaid family members, most agricultural employees, elected officials, the majority of religious organization employees, and railroad workers. The employment count also excludes workers who earned no wages because of work stoppages, temporary layoffs, illness, or unpaid vacation.

Number of Employees by Size of Firm

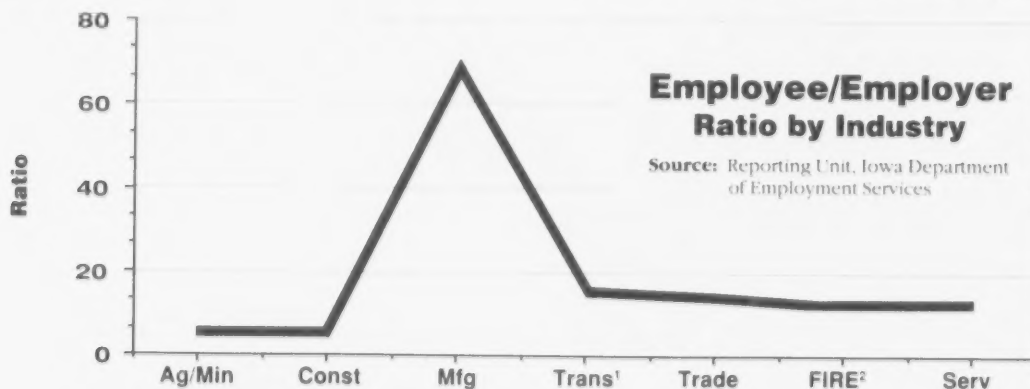
Number of Employees	Number of Employers	March 1993 Employment
0 - 4	36,878	63,626
5 - 9	11,949	78,443
10 - 19	7,252	98,025
20 - 49	4,649	140,589
50 - 99	1,578	109,088
100 - 249	902	138,397
250 - 499	281	95,800
500 - 999	111	76,022
1,000 & over	79	196,499
Total	63,679	996,489

Number of employers and employment summed in private industry, excludes state, local and federal government.

Source: Reporting Unit, Iowa Department of Employment Services

Employer size is determined by the establishment's March employment level. An establishment is an economic unit, such as a farm, mine, factory, or store that produces goods or provides services. Multi-establishment firms are tabulated by each worksite.

During the first quarter of 1993, a total of 57.9 percent of all private covered businesses employed fewer than five workers. However, when combined, these small firms employed only 6.5 percent of covered employment. The largest percentage of



1-Includes Communications and Public Utilities

2-Finance, Insurance, Real Estate

employment is found among businesses that employ 500 or more workers. Although these businesses make up 0.2 percent of Iowa's companies, they account for 27.3 percent of total employment.

Employment and wage data have been tabulated by industry. If an employer conducts different activities at various establishments or installations, separate industrial codes are assigned. The industrial classification defines 1,005 industries.

The table below provides a look at employers summed by industry and size group. The table

shows that the largest number of businesses are in the trade and service sector. Statewide, trade accounted for 33.1 percent of all companies; services represented 31.8 percent and finance recorded 8.3 percent. Together, these three industry divisions constituted 73.2 percent of Iowa's employers.

It is noteworthy that the manufacturing industries, followed by services, had the largest number of businesses employing 500 or more workers.—
Paulette Day, Reporting Unit (515) 242-6289.



Approximately one percent (0.9 percent) of Iowa manufacturers employ one-third (33.6 percent) of the manufacturing force.

Eighty percent of Iowa's manufacturers have 50 or fewer employees.

Iowa Manufacturing plants average 69 workers.

Deere & Co. is Iowa's largest manufacturer and has the largest payroll of any employer.

Number of Covered Employers and Employees Industry and Size of Firm First Quarter 1993

Industry Division	Number of Employees					Total
	0-19	20-49	50-99	100-499	500-Over	
Agriculture, Forestry and Fisheries, and Mining						
Number of Employers	1,623	61	21	8	0	1,713
Number of Employees	6,526	1,928	1,534	1,497	0	11,485
Construction						
Number of Employers	6,577	300	70	22	0	6,969
Number of Employees	21,575	8,815	4,754	3,126	0	38,270
Manufacturing						
Number of Employers	2,211	519	261	352	80	3,423
Number of Employees	13,544	16,405	18,571	76,271	110,999	235,790
Transportation, Communication and Public Utilities						
Number of Employers	2,834	283	76	57	12	3,262
Number of Employees	12,161	8,578	5,298	10,303	15,299	51,639
Trade						
Number of Employers	18,775	1,990	527	260	36	21,588
Number of Employees	93,966	59,090	35,895	48,571	68,732	306,254
Finance, Insurance and Real Estate						
Number of Employers	4,928	322	103	85	15	5,453
Number of Employees	17,613	9,780	7,073	16,541	21,993	73,000
Services						
Number of Employers	18,717	1,119	490	375	49	20,750
Number of Employees	72,368	34,289	33,973	73,922	65,499	280,051
Public Administration						
Number of Employers	1,325	174	277	344	61	2,181
Number of Employees	6,306	5,749	20,725	67,296	88,676	188,752

Source: Reporting Unit, Iowa Department of Employment Services

- **Forty-nine Iowa counties have fewer than 500 employers.**
- **Seven counties in Iowa have nine or fewer manufacturing employers.**
- **The three counties with the most manufacturing workers are Polk, Linn, and Scott.**
- **Six largest counties represent 48.9 percent of all covered employers and 54.8 percent of covered jobs in Iowa.**

**Number of Covered Employers and Employees
By Industry for the Six Largest Counties
First Quarter 1993**

Industry Division	Polk	Linn	Scott	Black Hawk	Woodbury	Johnson
Agriculture, Forestry and Fisheries, and Mining						
Number of Employers	176	81	81	72	54	45
Number of Employees	1,073	558	378	337	162	231
Construction						
Number of Employers	923	480	416	266	247	261
Number of Employees	7,070	4,286	2,794	1,790	1,541	1,525
Manufacturing						
Number of Employers	491	267	236	196	137	89
Number of Employees	22,378	20,420	12,484	14,502	6,841	4,188
Transportation, Communication and Public Utilities						
Number of Employers	466	251	191	137	161	94
Number of Employees	10,820	5,732	3,612	1,764	2,949	1,650
Wholesale Trade						
Number of Employers	1,774	670	686	324	370	190
Number of Employees	17,376	4,937	5,186	3,001	3,024	1,278
Retail Trade						
Number of Employers	2,520	1,137	1,066	835	689	629
Number of Employees	40,756	17,198	16,149	12,305	9,766	9,957
Finance, Insurance and Real Estate						
Number of Employers	1,295	490	415	310	252	215
Number of Employees	33,138	5,127	2,997	2,875	2,092	1,538
Services						
Number of Employers	4,233	1,734	1,518	1,101	962	914
Number of Employees	57,919	25,049	19,843	14,869	14,950	11,075
Total Private Ownership						
Number of Employers	180	47	34	42	42	30
Number of Employees	11,393	3,383	2,548	3,407	1,814	1,191

Source: Reporting Unit, Iowa Department of Employment Services

Major Iowa Employer Fact Sheet

Agriculture, Forestry, Fishing, and Mining

Gross Yearly Wages \$ 241,994,349
Average Monthly Employment 13,664
Average Weekly Wage \$ 341

Major Employers in sector:



Martin Marietta Technologies Inc
Schildberg Company
Hyline Indian River Company
Agriprocessors
Alspludh Tree Expert Company

Construction

Gross Yearly Wages \$ 1,180,694,078
Average Monthly Employment 48,359
Average Weekly Wage \$ 470

Major Employers in sector:



Manatt's Inc
Taylor Ball of Iowa, Inc
Allied Construction Services
McAninch Corporation
Fred Carlson Co, Inc

Manufacturing

Gross Yearly Wages \$ 6,792,132,013
Average Monthly Employment 235,331
Average Weekly Wage \$ 555

Major Employers in sector:



Deere & Co
Rockwell International Co
IBP, Inc
Amana Refrigeration Inc
Pella Corporation

Services

Gross Yearly Wages \$ 5,167,213,968
Average Monthly Employment 287,173
Average Weekly Wage \$ 346

Major Employers in sector:



Sisters of Mercy Health Corp
Des Moines Ind Comm Sch Dist
Iowa Methodist Medical Center
Mercy Hospital Medical Center
Care Initiatives

Source: Reporting Unit, Iowa Department of Employment Services
Calendar Year 1993

Trade

Gross Yearly Wages \$ 4,781,076,317
Average Monthly Employment 321,110
Average Weekly Wage \$ 286

Major Employers in sector: (Wholesale)



Pioneer Hi-Bred International
Swift Independent Packing Co
Zeneca Inc
Amoco Oil Co
Con Agra Inc

Major Employers in sector: (Retail)



Hy-Vee Food Stores Inc
Wal-Mart Stores Inc
K Mart Corp
Sears Roebuck & Co
Fareway Stores Inc

Transportation, Communication, Public Utilities

Gross Yearly Wages \$ 1,420,841,639
Average Monthly Employment 53,066
Average Weekly Wage \$ 515

Major Employers in sector:



US Postal Services
United Parcel Service
Midwest Power Systems Inc
MCI Telecommunications Corp
US West Communications Inc

Finance, Insurance and Real Estate

Gross Yearly Wages \$ 2,003,313,128
Average Monthly Employment 74,070
Average Weekly Wage \$ 520

Major Employers in sector:



Principal Mutual Life Inc Co
Norwest Bank Iowa
IASD Health Services
Allied Group Inc
Aegon USA Inc

Public Administration (State and Local Govt)

Gross Yearly Wages \$ 4,305,913,099
Average Monthly Employment 186,146
Average Weekly Wage \$ 445

Major Employers in sector:



University of Iowa
Iowa State Univ of Science/Tech
Iowa Dept of Human Services
Iowa Department of Transportation
City of Des Moines

Top Fifty Employers Statewide

1. Hy-Vee Food Stores, Inc
2. University of Iowa
3. Deere & Co
4. Rockwell International Corp
5. U.S. Post Office
6. Wal-Mart Stores Inc
7. Principal Mutual Life Ins Co
8. IBP, Inc
9. Iowa State University of Science
10. Sisters of Mercy Health Corp
11. Iowa Dept of Human Services
12. Iowa Methodist Medical Center
13. Mercy Hospital Medical Center
14. Amana Refrigeration Inc
15. Pella Corporation
16. Sears Roebuck & Co
17. Con Agra Inc
18. Maytag Company
19. K Mart Corp
20. Aluminum Co of America
21. Younkers Inc
22. Target-Div of Dayton Hudson
23. Winnebago Industries
24. St Luke's Methodist Hospital
25. Pioneer Hi-Bred International Inc
26. United Parcel Service
27. MCI Telecommunication Service
28. City of Des Moines
29. Des Moines School District
30. OMFC Service Company
31. Northwest Bank Iowa
32. FDL Foods Inc
33. IASD Health Services Corp
34. University of Northern Iowa
35. Midwest Power Systems Inc
36. Communications Data Service
37. Fisher Controls International
38. Covenant Medical Hospital
39. Mercy Medical Center
40. Bridgestone/Firestone Inc
41. Nash Finch Co
42. Eaton Corporation
43. White Consolidated Industries Inc
44. J.C. Penney Company
45. K Products Inc
46. Iowa Dept of Transportation
47. City of Cedar Rapids
48. US West Communications Inc
49. Kirkwood Community College
50. St Luke's Regional Medical Center

Primary Business Activity

Food Stores
 University and Hospital
 Farm Machinery Equip Mfg
 Machinery Equipment Mfg
 Government
 Department Stores
 Insurance
 Meat Products Mfg
 School
 Hospital/Dubuque
 Government
 Hospital/Des Moines
 Hospital/Des Moines
 Refrigerator/Appliance Mfg
 Lumber and Wood Products Mfg
 Department Stores
 Farm Products
 Household Laundry Equip Mfg
 Department Stores
 Aluminum Products Mfg
 Department Stores
 Department Stores
 Motor Home Mfg
 Hospital/Cedar Rapids
 Farm Supplies
 Trucking and Courier Service
 Business Service
 Government
 School
 Meat Product Mfg
 Bank
 Meat Product Mfg
 Insurance
 Government
 Electric and other Services
 Direct Mail
 Fabricated Metal Products Mfg
 Hospital/Waterloo
 Hospital/Cedar Rapids
 Tire Mfg
 Grocery Stores
 Motor Vehicle Parts Mfg
 Household Laundry Equip Mfg
 Department Stores
 Hats, Caps, Millinery Mfg
 Government
 Government
 Telephone Communications
 School
 Hospital/Sioux City

Source: Reporting Unit, Iowa Department of Employment Services
 Based on 10/92 - 9/93 Average Employment

Iowa Foreign Trade

Ongoing negotiations in the General Agreement on Tariffs and Trade (GATT), as well as several efforts including the passage of NAFTA (North American Free Trade Agreement) and the 1992 Single Market program in the European Community, have helped liberalize the global economy and promote regional trading blocs. So how will a more open trading environment affect Iowa?

Much attention has been directed toward the employment effect of the NAFTA agreement. Which industries will benefit? Which will be adversely affected? Because of the large difference in income and wages between Mexico and the U.S., some have expressed concerns about the possibility of a surge in imports from Mexico that are priced below U.S. produced goods, as well as a potent exodus of U.S. firms to Mexico to take advantage of the lower wage base there.

Despite these worries, Iowa has not seen much of an effect yet on exporting/importing industries. There may be small positive and negative changes, but at this point, the overall impact has been less than anticipated. This is not to say that future trade

with Mexico will not have a greater influence as more companies venture across the border. Export-sensitive industries such as food, chemicals, and electrical equipment will mainly benefit from any increased trade. Possibly, the industry with the most potential regarding NAFTA is agriculture, specifically grains, oil seeds, and animal products. Mexico is moving toward a free market system by dropping price supports to its domestic farmers. In conjunction, tariffs on corn imports have been removed. With corn being the major food grain in Mexico, Iowa's corn producers should see a slight boost as a result of these factors.

Even with the opportunities for increased trade with Mexico, Canada and Japan remain the two larger trading partners for Iowa. Combined, the two countries import almost half of all Iowa exports. Iowa experienced a growth rate of thirteen percent for exports in 1992 compared to 1991. As of third quarter 1993, exports were up an additional nine percent compared to the first three quarters of 1992. Most of this increase can be attributed to increased trade with Australia, Canada, Japan, and Germany. Also in 1993, some former Soviet states emerged as new markets for exports.

Iowa Factory Exports by Destination

	1992	1992: Qtrs 1-3	1993: Qtrs 1-3
Grand Total	2,664,908,732	1,968,521,432	2,143,885,395
Canada	738,297,215	568,527,742	701,986,931
Japan	502,374,666	366,809,246	389,488,376
Mexico	174,434,910	130,025,746	82,696,298
Germany	137,550,991	103,531,972	119,110,495
Netherlands	119,610,318	95,744,057	73,087,366
United Kingdom	113,452,857	85,028,294	96,268,773
South Korea	102,764,030	73,869,218	48,614,529
France	100,110,074	73,297,819	73,542,006
Australia	66,621,186	47,271,863	67,363,327
Italy	45,100,225	36,431,776	25,572,761

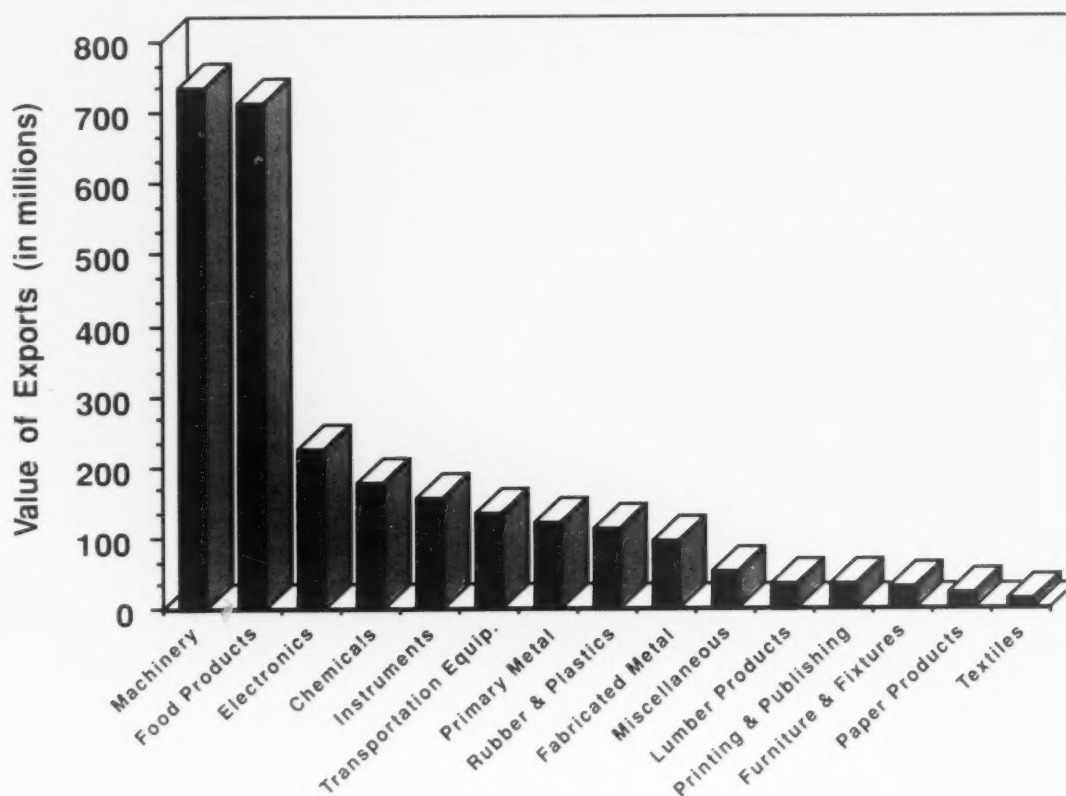
Source: Iowa Department of Economic Development

Besides new countries entering the global market, we saw various industries exceeding their previous trade levels of 1992. The electronics industry surpassed its 1992 trade level by third quarter of 1993, as did the stone, clay, and glass industry. Growth also occurred in the furniture and fixtures industry, printing and publishing, paper products, and chemicals. The biggest loss of foreign trade as of third quarter 1993 occurred in the leather products, textiles, and primary metal industries. In 1992, industrial and commercial machinery continued to be the top manufactured product sent to other countries. This constituted twenty-eight percent of the 2.65 billion dollars of manufactured goods that Iowa exported. Food products was a

close second composing twenty-seven percent of all exports. The third largest industry was electronics followed next by chemicals and then precision instruments.

Based on past growth and industry size, electronics, chemicals and machinery should be the most promising areas for future trade of manufactured goods. As far as farm products are concerned, demand in the 1990's will come from the middle income industrializing countries. These include China, Indonesia, Turkey, and Mexico where there are both rapid population growth and rapid economic growth rates.—*Cynthia Boss, Labor Market Information Unit (515) 281-5867.*

Iowa's Top 15 Export Industries in 1992



Source: Bureau of the Census, U.S. Department of Commerce and Massachusetts Institute for Social and Economic Research (MISER)

Iowa Gender Wage Equity Study 1993

Do wage disparities exist between men and women in Iowa? At the request of the Iowa Commission on the Status of Women, the Department of Employment Services (DES) recently conducted a survey to explore this issue. Gender wage equity is of particular concern since women will play a key role in shaping the labor force of

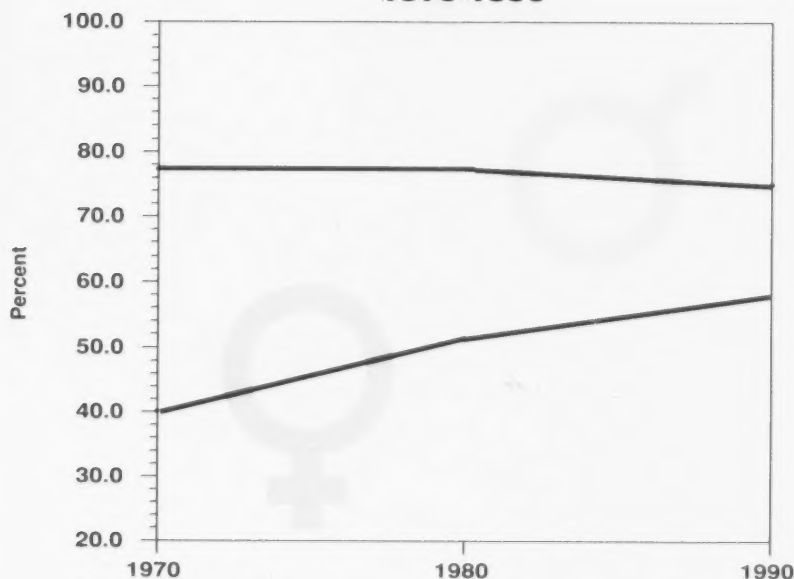
questionnaire asked for information on occupation, industry attachment, educational level, years of experience in the occupation, race and ethnic background, hours worked per week, and commuting patterns. To select a sample for the survey, a data base was developed by using a cross-match of the 1992 Wage Record File (DES) and the 1992 Driver's License Master File (Iowa Department of Transportation). The survey was conducted during the first four months of 1993.

A total of 542 (54.2 percent) people responded to the survey. This number included 291 females and 251 males. An analysis of the survey results confirmed the previously held belief that a wage disparity does indeed exist between males and females. On the average, Iowa females earn 68 cents to the dollar earned by their male counterparts. Moreover, the survey also indicated that men still earn more than women even when women hold the same job and have an equal amount of education and experience.

The Gender Wage Equity Study also revealed a number of other interesting characteristics about the Iowa job market:

- Most of the working population in the state is over 30 years of age. Almost one-third of both males and females are over 50 years old.
- About 75 percent of females earn less than \$24,000 per year compared to 42.3 percent for males.
- The service industry employs the largest proportion of both males and females. However, more males than females work in construction and manufacturing where wages tend to be higher.
- A large proportion of females (47.1 percent) consider themselves to be service workers,

**Labor Force Participation Rates
by Gender
1970-1990**



Source: Bureau of the Census, U.S. Department of Commerce

tomorrow. In Iowa, women currently hold 46 percent of the jobs. Additionally, women compose one of the fastest-growing segments of the state's labor force. The labor force participation rate for women in Iowa has increased dramatically over the last two decades, rising from 40 percent in 1970 to 57.8 percent in 1990.

The DES Gender Wage Equity Study focused on "money wages" since this is one of the most measurable forms of compensation. A one-page questionnaire was designed to obtain information from a random sample of 1,000 Iowans. The

administrative support workers or sales workers. These occupations are referred to as the "sticky floor" occupations since they have limited potential for advancement.

- More females (37.8 percent) than males (27.9 percent) have one to five years of experience on the job. More males (25.9 percent) than females (12.7 percent) have over 20 years of experience on the job.

- Males and females have almost identical educational qualifications. More females than males had bachelor's degrees, however the percentage of males with masters degrees and other advanced degrees was almost three times higher than the female proportion.

- Full-time schedules (defined as 30 or more hours per week for the study) are worked by 92 percent of the males and 82 percent of the females.

- An overwhelming number of respondents (91.3 percent) work in their county of residence. There is an almost even split between males and females who commute to border counties for work.

- Most respondents are satisfied with their jobs. However, a significant number of both genders chose to remain neutral on this issue.

Based on the findings of the DES study, the gender wage gap is wider in Iowa than it is nationally. According to the U.S. Bureau of Labor Statistics (BLS), the average weekly pay for women reached a record 76 percent of men's median pay in 1992. BLS data also indicate that the wage gap between the genders has narrowed by 13 percentage points since the fourth quarter of 1979. Corporate downsizing and the recent recession have been responsible for this trend since these events hit men harder than women.

The 1990 census data are another source of information that underscore the gender wage gap in Iowa. The median income for males who worked year round, fulltime in 1989 was \$25,391. The comparable figure for females was \$16,465, which represented 65 percent of the income

level reported for Iowa's males.

Poverty statistics from the 1990 census reflect some of the economic difficulty that females are experiencing. According to census data, 14.8 percent of the state's females fell below the poverty level in 1989 compared to 10 percent for males. Moreover, the proportion of females in poverty accelerated rapidly during the 1980's. The 1980 census showed that 10.9 percent of all females were in poverty compared to 8.6 percent for males. Census data also indicated that the percent of female householder families in poverty rose from 25.8 percent in 1980 to 33.5 percent in 1990. Given these facts, the gender wage gap has an even greater effect in social terms.

The DES study offers a number of policy options that can be implemented to further narrow the gender wage gap in the states: 1) Encourage females to enter occupations that have higher earning prospects. 2) Enforce anti-discriminatory laws to protect workers regardless of gender. 3) Promote a wider range of support services in the work environment, such as flexible work options and child care. 4) Offer incentives to high-tech firms and small businesses to hire, train, and advance females into jobs for which they qualify.

While women have made progress over the last decade, it will take continued commitment on the part of business and government to remove the artificial barriers that still remain in the workplace. The gender wage gap should narrow as females work more hours in the week, achieve greater longevity in the labor force, invest in higher education, and select from a wider range of occupational choices.—Ann E. Wagner, *Labor Market Information Unit (515) 281-8182*.

Average Annual Income Distribution

Dollars	Percent Females	Percent Males
Less than 12,000	40.5	17.1
12,000 to 16,000	8.6	8.4
16,000 to 20,000	10.3	6.8
20,000 to 24,000	15.8	10.0
24,000 to 28,000	6.2	9.2
28,000 to 32,000	5.8	11.6
32,000 to 36,000	5.5	6.8
36,000 to 40,000	3.4	5.6
40,000 +	3.8	24.7
	100.0	100.0

Source: Iowa Gender Wage Equity Study 1993, Iowa Department of Employment Services

Women and Minorities in the Workforce

How can it be that Iowa experienced a record employment level in 1993 yet the population for the state has declined since 1980? The explanation for this paradox lies in the fact that an increasing number of women and minorities are now participating in the labor force. According to the 1990 census, women comprise 46.0 percent of the civilian labor force, compared to 41.8 percent documented in 1980. The minority component also increased—up from 2.6 percent to 3.4 percent during the same decade.

The percentage of women as part of the total population has not changed significantly, (51.6 percent in 1990 and 51.4 percent in 1980). However, higher participation rates have been observed and more women are active in the labor force today. These higher participation rates can be attributed

to many factors.

In the late 1970's, as we experienced double digit inflation, women were "pushed" into the labor force as the value of wages earned by men eroded and women's wages were needed to maintain or improve the household's standard of living. During the farm crisis of the early 1980's many families in rural parts of Iowa became dependent on off-farm earnings; women's wages were crucial for the well being of these households.

In addition to various financial reasons, social norms and expectations have changed giving more women the opportunity to pursue a career. With child care and other domestic services now commercially available, a woman may be able to more easily work outside the home. Furthermore, the rise of single parent households, combined with the sizable population of women who are not

Iowa Jobs with High Female Concentration

OCCUPATION	% FEMALE
Family Child Care Provider	99.5
Secretaries	98.9
Child Care Workers, Household	98.3
Teachers, Prekindergarten and Kindergarten	98.2
Dental Assistants	98.0
Private Household Cleaners	96.7
Registered Nurses	96.5
Early Childhood Teacher's Assts.	96.4
Receptionists	95.7
Typists	95.7
Hairdressers & Cosmetologists	95.7
Licensed Practical Nurses	95.4
Bank Tellers	94.0
Textile Sewing Machine Operators	93.4
Bookkeepers & Accounting Clerks	91.5
Child Care Workers, n.e.c.	91.1
Data-Entry Keyers	90.9
Health Aides, except Nursing	90.6
Nursing Aides & Orderlies	89.8
Teachers' Aides	89.8

Iowa Jobs with Low Female Concentration

OCCUPATION	% FEMALE
Managers, Farms, exc. Horticultural	8.6
Industrial Engineers	7.7
Electrical & Electronic Engineers	7.5
Police & Detectives, Public Service	6.9
Engineers, n.e.c.	6.8
Supervisors, Mechanics & Repairers	6.4
Welders & Cutters	6.3
Truck Drivers	5.9
Machinists	4.7
Mechanics & Repairers, not specified	3.5
Industrial Machinery Repairers	3.5
Construction Laborers	2.6
Operating Engineers	2.5
Electricians	2.1
Plumbers, Pipefitters, & Steamfitters	1.9
Supervisors, Construction, n.e.c.	1.7
Auto Body & Related Repairers	1.6
Carpenters	1.5
Automobile Mechanics	1.1
Bus, Truck, & Engine Mechanics	.6

Source: Bureau of the Census, U.S. Department of Commerce

married, have contributed to this growing segment of the workforce.

Despite the significant emergence of women in the workforce, there still tends to be less occupational diversity among them. Women are typically more concentrated in a narrower range of jobs compared to men. This is partially a result of past social and scholastic conditioning, in addition to tracking women into "appropriate" jobs. These jobs were deemed suitable women's work based on required physical ability, safety, and the erroneous assumption that women were primarily contingent or temporary workers. These occupations evolved into what are now considered *traditional* jobs.

A problem associated with many of these *traditional* occupations is the abundance of workers for those jobs. A significant consequence of such an oversupply of workers is lower wages.

Clerical and administrative support jobs have the highest concentration of women. In fact, eight out of ten jobs in this area are held by women, with secretaries topping the scales at 99 percent. Women also comprise large percentages in the teaching

(early childhood) and nursing fields. Most service occupations have high concentrations of females; a few exceptions include protective service (e.g. firefighters) and janitorial classifications. One of the fast-growing industries in the past decade has been retail trade. This industry was the conduit for many women entering the workforce during that period, but it should be noted the female concentration varied depending on the type of merchandise involved.

According to the U.S. Department of Labor, Women's Bureau, an occupation is considered *non-traditional* for women if fewer than 25 percent of all workers in that occupation are female. Using this guideline, in Iowa there are over 230 (out of 497) such occupations or groups of occupations based on the 1990 census.

Not too surprisingly, the construction industry has the lowest percentage of women with one exception, 58 percent of all paperhangers are female. Mechanics, repairers, truck drivers, and machinists are also quintessential non-traditional jobs for women. Moreover, the proportion of females in the engineering field is nominal, even

Iowa Jobs with High Minority Concentration

OCCUPATION	% MINORITY
Butchers & Meat Cutters	21.2
Hand Cutting & Trimming	21.2
Chemists, except Biochemists	15.5
Postsecondary Teachers	14.0
subject not specified	
Packaging/Filling Machine Operators	13.3
Technicians, n.e.c.	11.2
Hand Packers & Packagers	8.9
Physicians	8.8
Mail Clerks, exc. Postal Service	8.4
Slicing & Cutting Machine Operators	8.0
Maids & Housemen	7.7
Telephone Operators	7.4
Guards & Police, exc. Public Service	6.9
Data-Entry Keyers	6.9
Textile Sewing Machine Operators	6.7
Library Clerks	6.6
Child Care Workers, n.e.c.	6.6
Janitors & Cleaners	6.3
Laborers, exc. Construction	6.3
Roofers	6.3

Iowa Jobs with Low Minority Concentration

OCCUPATION	% MINORITY
Sales - Motor Vehicle & Boats	.83
Bus, Truck, & Engine Mechanics	.81
Farm Workers	.75
Surveying & Mapping Technicians	.69
Animal Caretakers, except Farm	.67
Sales - Hardware & Building Supplies	.65
Sales - Radio, TV, Appliances	.62
Teachers, Secondary School	.44
Farm Equipment Mechanics	.44
Small Engine Mechanics	.41
Purchasers & Buyers - Farm Products	.35
Postmasters & Mail Superintendents	.30
Horticultural Specialty Farmers	.26
Managers, Farms, exc. Horticultural	.26
Stenographers	.23
Speech Therapists	.11
Farmers, except Horticultural	0
Sheriffs & Bailiffs	0
Household Appliance Repairers	0
Sales Workers - Parts	0

Source: Bureau of the Census, U.S. Department of Commerce

compared to other professional occupations.

In contrast to women in the workforce, minorities seem to be more evenly dispersed among the various occupations relative to their share of the Iowa labor force. There are not "traditional" or "non-traditional" jobs *per se* regarding the proportion of minorities in specific occupations. It is interesting to note that most of the growth in the minority share has been in the Asian subgroup—almost doubling since 1980. All other subgroups (Blacks, Hispanics, American Indians, etc.) have grown modestly in overall labor force percentages; however, the total sum of those increases only equals that of the Asian subgroup alone.

Looking at broad occupational groupings,

professionals, technicians, sales workers, office/clerical workers and operatives showed the most substantial growth for minority percentages. The Asian component for those categories doubled or even tripled between 1980 and 1990. Although not as drastic, Hispanics also had an above average amount of growth in the civilian labor force during that period with the largest increase in the operatives category. The Hispanic subgroup also displayed fairly even growth across the board in all other areas. In the future we will probably experience even greater change as Iowa becomes more racially diverse and the number of minorities in our population continues to grow.—*Cynthia Boss, Labor Market Information Unit (515) 281-5867.*

Commuting Patterns

Arrows here, arrows there, arrows, arrows everywhere. This is not a sentence from a *Cat in the Hat* book, but rather a summary of the Iowa commuting patterns map. One look and it is evident that a considerable number of Iowans are working in a different locale from where they are living. Both the growth of non-agricultural employment and the decline of the family farm sector have expanded rural participation in the labor market. Additionally, economic restructuring has sharpened the differences between rural and urban job opportunities. This restructuring and the growing economic disparity of various metropolitan and non-metropolitan labor markets has made commuting a central component of rural residents' employment choices.

Metropolitan labor markets tend to offer a variety of jobs with higher pay and better benefits. While these jobs may offer better returns to rural residents, they can also impose substantial commuting costs when one considers the direct costs such as fuel, parking, or fares, added to the indirect costs of insurance, wear and tear, and time spent commuting. Rural residents may have to choose between underemployment and a narrower selection of jobs in their local market, with fewer rewards but lower commuting costs, or employment in a more diversified metropolitan labor market with better rewards and higher commuting costs. This trade-off between rewards and commuting costs is mediated by the individual's education and experience, their sector of specialization in the labor force, and to an extent their domestic responsibilities.

A person's decision to live in a certain community may be based on individual preferences or due to factors such as family ties, educational opportunities, civic activities or the "comfort of home." However, not all communities in Iowa provide ample employment opportunities for all residents, and thus some workers will need to look elsewhere for a job. A substantial number of rural residents travel beyond their community to find employment suited to their skills and needs. Indeed, in some sectors, access to metropolitan labor markets is essential for workers who are in specialized fields and workers who place high value on pay and benefits. On the whole, longer

work trips are associated with individuals who have higher educational qualifications and with jobs that offer health benefits. We might expect that part-time workers or those who work irregular hours would be less likely to commute longer distances.

Counties with a larger manufacturing base, such as Black Hawk and Muscatine tend to gain large numbers of commuters. A state university or local college can also be a drawing card to workers in outlying areas. Economic development in rural areas can change commuting patterns significantly. Start-ups of new companies or expansion of existing businesses can provide opportunity for local residents and attract employees from surrounding counties. On the flip side, business closings, especially in rural parts of the state, can cause workers to look outside their county for employment. This happened in Emmet County when the John Morrell meat processing plant closed in the early 1980's. As a result of that closing, the percentage of out-commuting residents increased from eight percent in 1980 to 20 percent in 1990. Many Emmet County workers commute to neighboring Dickinson County and across the state border to Martin County, Minnesota.

According to the 1990 census data, 86 (out of 99) Iowa counties reported an increase in the number of workers who commute to jobs outside of the county. Not only did commuting increase in most areas, but in 23 counties the primary out-of-county destination changed as well. It is evident that the metropolitan areas draw vast numbers of commuters, sometimes even beyond their neighboring counties. In some instances, counties "export" many more workers than they "import". An example of this is Warren County, which has 18,677 workers living in the county, but only retains 6,525 workers within its borders. Meanwhile, 11,474 commute to Polk County, presumably to the city of Des Moines and its suburbs.

More employment opportunities and better job rewards will attract a substantial proportion of rural workers to the metropolitan job markets. Commuting has become a significant trend in today's society and should continue "down the same road."—*Cynthia Boss, Labor Market Information Unit (515) 281-5877.*

*



(Harrison MO)

* Includes commuting of 150 or more workers

Workers' Compensation

The Department of Employment Services, through its Division of Industrial Services, is responsible for administering Iowa's workers' compensation system. The workers' compensation law provides medical and wage replacement benefits to eligible employees who have sustained injuries arising out of and in the course of their employment. The division also administers Iowa's Occupational Disease and Occupational Hearing Loss statutes. In addition, the Division is also responsible for adjudicating disputes arising under Iowa's Second Injury Compensation Act.

The cost of workers' compensation insurance is frequently cited as one of the most important factors in measuring a state's business climate. Iowa continues to be recognized as a low cost state for workers' compensation. When measuring workers' compensation insurance costs per \$100 of payroll, the average cost in Iowa was \$1.06 compared to the national average of \$1.79. If we compare the total cost of benefits (indemnity plus medical), we find that Iowa's benefit costs are 56.9 percent of the national average.

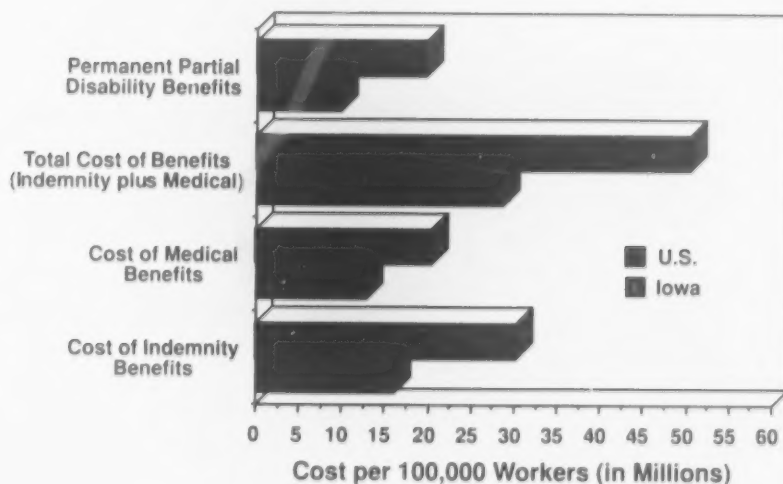
Permanent partial disability (PPD) benefits are

an important factor to consider when measuring and comparing the costs of workers' compensation. The frequency of PPD cases in Iowa was 571 per 100,000 workers, with the average cost of \$17,058 for indemnity benefits. These factors rate Iowa's total cost for PPD's at less than half of the national average.

Iowa's workers' compensation system has achieved a low cost status without resorting to either inadequate weekly benefit rates or restrictive definitions of compensable injury. In fact, Iowa's maximum weekly rate is the highest in the nation, both in terms of dollars and as a percentage of the statewide average weekly wage.

The Division of Industrial Services has a publication, *A Guide to Workers' Compensation*, which will be useful to employers, employees, labor unions, insurance carriers, and others who have an interest in Iowa's workers' compensation system. Questions concerning a person's rights and responsibilities under the workers' compensation laws of Iowa can be directed to the Division of Industrial Services at 1-800-JOB-IOWA.—Byron K. Orton, *Industrial Services Division* (515) 281-8335.

U.S. and Iowa Benefit Costs in 1991



Source: John Burton's Workers' Compensation Monitor, July/August 1993

Job-Site Injuries and Illnesses

One of the goals of the Iowa Occupational Safety and Health Act is to reduce the incidence of injuries and illnesses in Iowa's workplaces. Statistics are needed to identify problem areas, as a basis for state and national decision making and to monitor program effectiveness. For these purposes, the Division of Labor of the Department of Employment Services, conducts an annual survey of establishment injury and illness experience. The annual survey provides estimates of the numbers and rates of incidence of occupational injuries and illnesses by industry. These indicators are used and recognized as reliable measures of occupational injuries and illnesses. The information in the tables below is compiled from work injury reports submitted by employers.

The incidence rate for total occupational injuries and illnesses in the private sector of Iowa in 1992 was 11.0 per 100 full-time workers as compared to a rate of 8.9 in the United States. The Iowa rate increased from 10.3 in 1991 to 11.0 in 1992. The

national rate rose from 8.4 to 8.9 during the same period. The incidence rate for lost workday cases in Iowa increased slightly from 4.7 cases per 100 employees in 1991 to 4.8 per 100 in 1992. In the United States, the lost workday case incidence rate was 3.9 in both 1991 and 1992. In the nonfatal cases without lost workdays category, the Iowa rate rose from 5.6 to 6.3 and the national rate increased from 4.5 to 5.0 cases per 100 workers.

Caution is necessary, however, in comparing the rates for Iowa with corresponding rates for other states or for the nation because of variations in the size of firms and industries. Since the proportion of the workforce in hazardous industries has a direct effect upon the overall rate, differences in industry mix must also be considered. For example, if the different private industry divisions existed in Iowa in the same proportion that they do nationally, the Iowa incidence rate for total cases for 1992 would be 10.2 instead of 11.0.

In 1972, the first full year in which the Survey of Occupational Injuries and Illnesses was conducted in Iowa, recognized illnesses accounted for just

**1992 Injury and Illness Rates
(per 100 full-time workers)**

Industry Division	U.S. Rates			Iowa Rates		
	1990	1991	1992	1990	1991	1992
Total Private Sector	8.8	8.4	8.9	10.6	10.3	11.0
Agriculture, Forestry, & Fisheries	11.6	10.8	11.6	9.1	7.7	12.2
Mining	8.3	7.4	7.3	5.3	7.0	4.4
Construction	14.2	13.0	13.1	17.3	16.1	16.3
Manufacturing	13.2	12.7	12.5	18.4	17.9	17.8
Transportation, Communications, & Public Utilities	9.6	9.3	9.1	8.3	8.4	8.9
Wholesale Trade	7.4	7.2	7.6	8.4	8.4	11.0
Retail Trade	8.1	7.7	8.7	7.3	7.1	7.5
Finance, Insurance, & Real Estate	2.4	2.4	2.9	1.9	2.3	2.3
Services	6.0	6.2	7.1	7.3	7.2	8.1
Public Sector	N.A.	N.A.	N.A.	8.5	8.5	7.8

Source: Division of Labor, Iowa Department of Employment Services

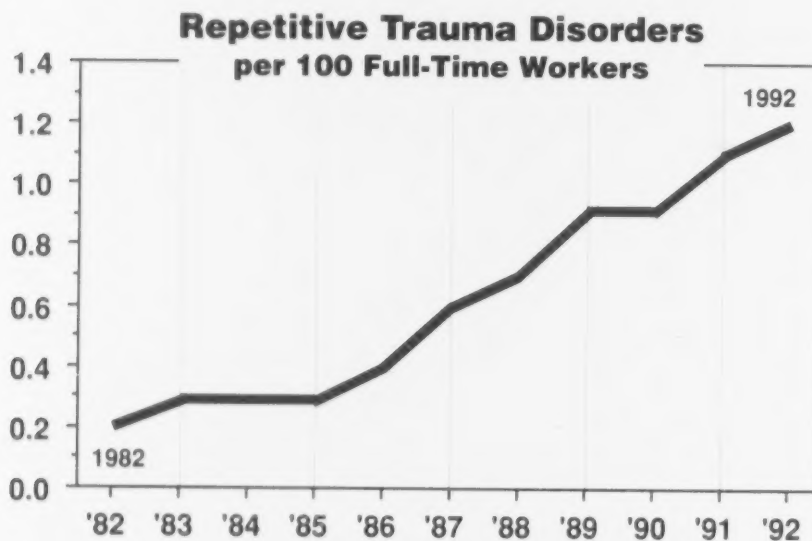
over 4 percent of the total number of job-related injuries and illnesses. By 1992, occupational illnesses totaled nearly 14 percent of the total cases. During the early years of the survey, skin diseases or disorders were the most relevant of the seven categories of occupational illnesses. A high rate in that category was likely due in part to the ease of recognition of these cases and also to the speed with which symptoms appear after contact with irritants.

In recent years disorders associated with repeated trauma are the most frequently reported work-related illnesses. These occurred at a rate of 12 per 1,000 workers in 1992, compared to only 2 per 1,000 workers in 1982. Repetitive Trauma Disorders (RTDs) represent the wear and tear on workers caused by repeatedly performing a movement that is traumatic to a part of the body. Most frequently affected are the hands, wrists, elbows, and shoulders.

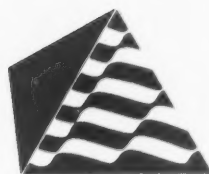
Repetitive Trauma Disorders are not new, but

they have traditionally been associated with the normal aging process. As awareness of the effect of repetitive motion, vibration or pressure in the workplace increases, so does the number of reported cases. Any repetitive task such as typing, data entry, scanning, cutting, or turning can lead to repetitive trauma disorder. RTD takes many forms, but the most common are tendonitis and carpal tunnel syndrome. Other repetitive trauma disorders include tenosynovitis, Raynaud's Phenomenon, epicondylitis, and thoracic outlet syndrome.

The price of RTD in both human and economic terms is high. It costs many workers their health. It also results in an economic loss to workers and employers in lost work time, medical expenses, and higher insurance rates. The Division of Labor through its enforcement, education, and consultation programs is committed to reducing and eliminating, if possible, the effects of repetitive trauma disorders on Iowa's workforce.—*John G. Patramanis, Labor Division (515) 281-5151.*



Source: Division of Labor, Iowa Department of Employment Services



D · E · S

Department of Employment Services

*Department of
Employment Services*

*Labor Market
Information Products*



Affirmative Action Data for Iowa

Contains	Population by gender and race based on Census data; Employment distribution by gender and minority classification for the previous calendar year; Occupational distribution of Job Service applicants by race, gender, and EEO category for the previous calendar year.	
Frequency	Annually	
Scope	State, MSA's, counties and selected cities	
Contact	Cindy Boss	(515) 281-5877

Condition of Employment

Contains	Population and labor force characteristics; Overview of Iowa's labor market; Industry and occupational outlooks; Wage and income information.	
Frequency	Annually	
Scope	State	
Contact	Mike Blank	(515) 242-5861

DES Data Center

Contains	Electronic bulletin board provides access to much of the data described on these pages. Data processing systems may access this system via phone lines. The data number is (515) 281-3472 or 1-800/572-3942.	
Frequency	Continuously updated	
Contact	Steve Ford	(515) 281-7307

Employment and Wages Covered by Job Insurance

Contains	Employment and wage data by industry (tabulated from Quarterly Employer's Payroll and Contribution Report).	
Frequency	Quarterly	
Scope	State and all Iowa counties	
Contact	Paulette Day	(515) 242-6289

Iowa Commuting Patterns (1990 Census)

Contains	In-commuting and out-commuting patterns for Iowa residents.	
Frequency	After decennial census	
Scope	Counties and MSA's	
Contact	Cindy Boss	(515) 281-5877

Iowa Employment Review

Contains	Resident Employment and Unemployment, Nonfarm (Industry) Employment, Jobless Benefits Paid.	
Frequency	Quarterly	
Scope	State	
Contact	Ann Wagner	(515) 281-8182

Iowa Licensed Occupations

- Contains** Describes all occupations which require a state license;
Provides names and addresses of licensing authorities;
Tells licensing requirements, costs, etc.
- Frequency** Annually
- Contact** Cindy Boss (515) 281-5877

Iowa Occupational Planning Guide

- Contains** A list of occupations ranked by, number of Job Service applicants and openings, projected openings for the state and each Service Delivery Area and average hourly wages. Also includes Classification of Instructional Programs (CIP) codes and titles for these occupations and the anticipated number of program completers.
- Frequency** Annually
- Scope** State and each Service Delivery Area (in one publication)
- Contact** Robert Van Every (515) 242-5862

Iowa Occupational Projections

- Contains** Occupational projections and industry outlook with projected employment, growth, and total openings.
- Frequency** Annually
- Scope** State and the 16 Service Delivery Areas
- Contact** Robert Van Every (515) 242-5862

Job Insurance Benefits

Contains	Number of weeks compensated and amount of benefits paid under the state and federal unemployment insurance programs.	
Frequency	Monthly	
Scope	State and all Iowa counties	
Contact	Paulette Day	(515) 242-6289

Labor Availability Survey

Contains	Number of persons interested in working for new and expanding employers; characteristics of the available labor, such as education, skills, minimum acceptable wages and occupations.	
Frequency	Scheduled upon local request	
Scope	County	
Contact	Kristin Macy	(515) 281-4896

Labor Market Information Directory

Contains	General information on LMI products prepared by the Iowa Department of Employment Services. Also includes labor force concepts and economic terms essential to understanding employment and unemployment trends.	
Frequency	Revised as necessary	
Contact	Cindy Boss	(515) 281-5877

Labor Market Information for Service Delivery Areas

Contains	Characteristics of Job Service applicants; Openings and applicants by occupation; Job openings by industry; Nonagricultural wage and salary employment; Labor force and unemployment; Characteristics of the insured unemployed.
Frequency	Quarterly
Scope	State and the 16 Service Delivery Areas
Contact	Cindy Boss (515) 281-5877

Labor Force Summary Tables

Contains	Labor force, unemployment and employment data. Employment within major industry groups.
Frequency	Monthly
Scope	State, Metropolitan Areas (MSA's) and counties
Contact	Ann Wagner (515) 281-8182

Nonfarm Employment, Hours and Earnings

Contains	Nonfarm employment and average weekly earnings, average weekly hours and average hourly earnings for production workers.
Frequency	Monthly
Scope	State and Metropolitan areas of Cedar Rapids, Council Bluffs, Davenport, Des Moines, Dubuque, Iowa City, Sioux City, Waterloo
Contact	Albert Johnson: Cedar Rapids, Des Moines (515) 281-4664 Rita Lundy: Council Bluffs, Sioux City, Waterloo (515) 281-5754 Harold Mack: Dubuque, Davenport, Iowa City (515) 281-5831 Bill Voyce: Statewide (515) 281-3895

Wage and Fringe Benefits Survey

Contains	Wage information by occupation: averages and ranges. Types of fringe benefits that are typically offered, such as holidays, vacation, insurance and shift premium.	
Frequency	Annually	
Scope	Statewide	
Contact	Jim Gillaspy	(515) 281-8179



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